

NATBONY REPLY DECLARATION
EXHIBIT 21 - PART 2

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Ahlberg, Timothy H. - Vol. II

April 23, 2020

225

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO

----- X
In re: :
 : PROMESA
THE FINANCIAL OVERSIGHT : TITLE III
AND MANAGEMENT BOARD :
FOR PUERTO RICO, : Case No.
 : 17 BK 3283-LTS
 as representative of :
 : (Jointly
THE COMMONWEALTH OF : Administered)
PUERTO RICO, :
 :
 Debtor. :
----- X

In re: :
 : PROMESA
THE FINANCIAL OVERSIGHT : TITLE III
AND MANAGEMENT BOARD :
FOR PUERTO RICO, : Case No.
 : 17 BK 3567-LTS
 as representative of :
 :
THE COMMONWEALTH OF : CONFIDENTIAL
PUERTO RICO, et al., : PURSUANT TO
 : PROTECTIVE ORDER
 Debtor. :
----- X

VOL. II OF II

Videotaped deposition of TIMOTHY H.
AHLBERG, conducted virtually, pursuant to
continuance, reported stenographically by
Cynthia J. Conforti, CSR, RPR, CRR, commencing
at the hour of 9:46 a.m. CST, on the 23rd day
of April, 2020.

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<p style="text-align: right;">226</p> <p>1 APPEARANCES: 2 FOR THE FINANCIAL OVERSIGHT AND MANAGEMENT 3 BOARD FOR PUERTO RICO, as representative of the 4 COMMONWEALTH OF PUERTO RICO: 5 PROSKAUER ROSE LLP 6 Eleven Times Square 7 (Eighth Avenue & 41st Street) 8 New York, New York 10036-8299 9 212.969.3000 10 BY: DAVID A. MUNKITTRICK, ESQ. 11 dmunkittrick@proskauer.com 12 MICHAEL T. MERVIS, ESQ. 13 mmervis@proskauer.com 14 15 BY: ELLIOT STEVENS, ESQ. 16 estevens@proskauer.com 17 One International Place 18 Boston, Massachusetts 02110-2600 19 617.526.9600 20 21 FOR AMBAC ASSURANCE CORPORATION: 22 MILBANK LLP 23 55 Hudson Yards 24 New York, New York 10001-2163 25 212.530.5000 26 BY: CAELAINN CARNEY, ESQ. ccarney@milbank.com WILL DENKER, ESQ. wdenker@milbank.com JOHN HUGHES, ESQ. jughes2@milbank.com KEVIN MAGGIO, ESQ. kmaggio@milbank.com GRANT MAINLAND, ESQ. gmainland@milbank.com DAVID MARCOU, ESQ. dmarcou@milbank.com ATARA MILLER, ESQ. amiller@milbank.com ALEXANDRA PASLAWSKY, ESQ. apaslawsky@milbank.com KEVIN WESTERMAN, ESQ. kwesterman@milbank.com</p>	<p style="text-align: right;">228</p> <p>1 APPEARANCES: (Continued) 2 3 ON BEHALF OF ASSURED GUARANTY CORP. and ASSURED 4 GUARANTY MUNICIPAL CORP.: 5 CADWALADER, WICKERSHAM & TAFT LLP 6 200 Liberty Street 7 New York, New York 10281 8 212.504.6000 9 BY: THOMAS J. CURTIN, ESQ. 10 thomas.curtin@cwt.com 11 BILL NATBONY, ESQ. 12 bill.natbony@cwt.com 13 CASEY JOHN SERVAIS, ESQ. 14 casey.servais@cwt.com 15 JACLYN A. HALL, ESQ. 16 jaclyn.hall@cwt.com 17 18 FOR FINANCIAL GUARANTY INSURANCE COMPANY: 19 20 BUTLER SNOW LLP 21 The Pinnacle at Symphony Place 22 Suite 1600 23 150 3rd Avenue South 24 Nashville, Tennessee 37201 25 615.651.6700 26 BY: JASON W. CALLEN, ESQ. jason.callen@butlersnow.com BY: ADAM M. LANGLEY, ESQ. adam.langley@butlersnow.com 6075 Poplar Avenue Suite 500 Memphis, Tennessee 38119 901.680.7200</p>
<p style="text-align: right;">227</p> <p>1 APPEARANCES: (Continued) 2 3 FOR NATIONAL PUBLIC FINANCE GUARANTEE CORP.: 4 5 WEIL GOTSHAL & MANGES LLP 6 7 767 Fifth Avenue 8 New York, New York 10153-0119 9 212.310.8000 10 BY: ROBERT S. BEREZIN, ESQ. 11 robert.berезin@weil.com 12 CHRISTINE CALABRESE, ESQ. 13 christine@calabrese@weil.com 14 GASPARD RAPPOPORT, ESQ. 15 gaspard.rappoport@weil.com 16 17 FOR THE PUERTO RICO FISCAL AGENCY AND FINANCIAL 18 ADVISORY AUTHORITY: 19 20 O'MELVENY & MYERS LLP 21 22 610 Newport Center Drive 23 17th Floor 24 Newport Beach, California 92660 25 949.823.6900 26 BY: ELIZABETH L. McKEEN, ESQ. emckeen@omm.com ASHLEY PAVEL, ESQ. apavel@omm.com 610 Newport Center Drive 17th Floor Newport Beach, California 92660 949.823.6900 - also - MARINI PIETRANTONI MUÑOZ LLC 250 Avenue Ponce de Leon Suite 900 San Juan, Puerto Rico 00918 787.705.2171 BY: IVÁN GARAU GONZÁLEZ, ESQ. lgarau@mpmlawpr.com</p>	<p style="text-align: right;">229</p> <p>1 APPEARANCES: (Continued) 2 3 FOR CANTOR-KATZ COLLATERAL MONITOR LLC, as 4 Collateral Monitor for GDB DEBT RECOVERY 5 AUTHORITY: 6 7 ORRICK, HERRINGTON & SUTCLIFFE LLP 8 9 51 W 52nd Street 10 New York, New York 10019 11 212.506.5000 12 BY: DAVID LITTERINE-KAUFMAN, ESQ. 13 dlitterinekaufman@orrick.com 14 15 FOR THE OFFICIAL COMMITTEE OF UNSECURED 16 CREDITORS: 17 18 PAUL HASTINGS LLP 19 20 MetLife Building 21 200 Park Avenue 22 New York, New York 10166 23 212.318.6000 24 BY: ZACHARY S. ZWILLINGER, ESQ. 25 zacharyzwilling@paulhastings.com 26 27 FOR AMERINATIONAL COMMUNITY SERVICES, LLC, as 28 servicer for the GDB DEBT RECOVERY AUTHORITY: 29 MCCONNELL VALDÉS LLC 30 270 Muñoz Rivera Avenue 31 Hato Rey, Puerto Rico 00918 32 787.759.9292 33 BY: NAYUAN ZOUAIRABANI TRINIDAD, ESQ. 34 nzt@mcvpr.com 35 ALSO PRESENT: 36 Hira Balg, Weil Gotshal & Manges LLP 37 Lou Testani, Milbank LLP 38 Alexander Whitelaw, Weil Gotshal & Manges LLP 39 Anthony Micheletto, Videographer</p>

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<p style="text-align: right;">234</p> <p>1 PRODUCTION REQUESTS</p> <p>2 Page 432, Line 19:</p> <p>3 "MS. MILLER: Okay. Well, I'm going to</p> <p>4 call for the production of any such documents</p> <p>5 that the Commonwealth intends to rely on as</p> <p>6 evidence that the account that you're going to</p> <p>7 tell me is the transfer account is in fact the</p> <p>8 transfer account."</p> <p>9</p> <p>10 Page 486, Line 17:</p> <p>11 MS. MILLER: "So I'm going to call on the</p> <p>12 record for the production of any such documents</p> <p>13 that you've seen that you're relying on for</p> <p>14 your testimony that the 5144 account is the</p> <p>15 surplus account or that the Commonwealth</p> <p>16 otherwise intends to rely on."</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>	<p style="text-align: right;">236</p> <p>1 (Witness previously sworn.) 09:46:14</p> <p>2 TIMOTHY H. AHLBERG, 09:46:14</p> <p>3 having been duly sworn, was examined and 09:46:14</p> <p>4 testified further as follows: 09:46:14</p> <p>5 EXAMINATION 09:46:16</p> <p>6 BY MS. MILLER: 09:46:16</p> <p>7 Q. Good morning, Mr. Ahlberg. I am 09:46:18</p> <p>8 Atara Miller, and I'm from Milbank, and I'm 09:46:21</p> <p>9 counsel for Ambac Assurance Corporation in this 09:46:24</p> <p>10 matter. I'll be asking questions today 09:46:27</p> <p>11 relating to PRIFAS and CCDA Flow of Funds, and 09:46:30</p> <p>12 I'm asking questions on behalf of all of the 09:46:36</p> <p>13 defendants here. I guess I'll open with that 09:46:38</p> <p>14 here, I should say. 09:46:42</p> <p>15 So as the videographer indicated, 09:46:43</p> <p>16 Mr. Ahlberg, do you understand that you're 09:46:45</p> <p>17 still under oath today? 09:46:47</p> <p>18 A. Yes. 09:46:50</p> <p>19 Q. And you understand that the 09:46:51</p> <p>20 testimony that you're giving has the same 09:46:53</p> <p>21 weight and effect as if you were giving it in a 09:46:55</p> <p>22 court of law, correct? 09:46:58</p> <p>23 A. Yes. 09:47:00</p> <p>24 Q. And the instructions that 09:47:06</p> <p>25 Mr. Natbony gave you yesterday will continue, 09:47:07</p>
<p style="text-align: right;">235</p> <p>1 THE VIDEOGRAPHER: We are now on 09:45:19</p> <p>2 the record. Welcome to the continuing 09:45:20</p> <p>3 deposition of Timothy Ahlberg. My name is 09:45:21</p> <p>4 Anthony Micheletto. I am the videographer and 09:45:25</p> <p>5 conference call host for Henderson Legal 09:45:27</p> <p>6 Services. 09:45:29</p> <p>7 Today's date is April 23, 2020. 09:45:29</p> <p>8 The time is 9:46 a.m., Central time. 09:45:33</p> <p>9 It is my understanding that there 09:45:39</p> <p>10 are approximately 44 attorneys attending 09:45:40</p> <p>11 telephonically. To keep instructions at a 09:45:42</p> <p>12 minimum, I will be muting all telephones except 09:45:45</p> <p>13 the witness, taking attorney, and opposing 09:45:49</p> <p>14 counsel whom will dial *6 so they can be heard. 09:45:51</p> <p>15 In addition, if you are not 09:45:54</p> <p>16 speaking, please make sure you turn off your 09:45:55</p> <p>17 camera on LiveLitigation. You should receive 09:45:57</p> <p>18 the video stream through your computer and 09:46:01</p> <p>19 audio through your phone. Periodically, during 09:46:03</p> <p>20 the break, I will communicate to everyone how 09:46:06</p> <p>21 long we have been on the record. Our court 09:46:08</p> <p>22 reporter today is Cynthia Conforti. 09:46:10</p> <p>23 Mr. Ahlberg, you are still under 09:46:12</p> <p>24 oath. 09:46:14</p> <p>25 Counsel, you may proceed. 09:46:14</p>	<p style="text-align: right;">237</p> <p>1 but I'm just going to remind you of two 09:47:11</p> <p>2 critical ones, particularly as we are taking 09:47:13</p> <p>3 this by video. 09:47:17</p> <p>4 The first one is to be sure not to 09:47:17</p> <p>5 talk over each other. The court reporter, 09:47:20</p> <p>6 especially on video, is going to have a hard 09:47:22</p> <p>7 time recording what you're saying. So I'm 09:47:24</p> <p>8 going to wait for you to finish answering the 09:47:30</p> <p>9 question before I ask the next question. I'm 09:47:32</p> <p>10 going to ask you to wait for me to finish 09:47:34</p> <p>11 asking the question before you start answering. 09:47:37</p> <p>12 Is that okay? 09:47:39</p> <p>13 A. Okay. 09:47:39</p> <p>14 MS. McKEEN: I'm having a 09:47:46</p> <p>15 little -- I'm having a little trouble hearing 09:47:47</p> <p>16 you. Can you maybe position your phone closer 09:47:48</p> <p>17 or turn up the volume on your -- your phone? 09:47:50</p> <p>18 I can hear Atara just fine. 09:48:04</p> <p>19 THE WITNESS: Is that any better? 09:48:04</p> <p>20 MS. McKEEN: It is. Thank you. 09:48:07</p> <p>21 BY MS. MILLER: 09:48:07</p> <p>22 Q. At any time today, if you'd like 09:48:08</p> <p>23 to take a break, I am happy to take one, but I 09:48:10</p> <p>24 am going to ask you to answer any question 09:48:13</p> <p>25 that's pending before we take a break. But 09:48:15</p>

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1	otherwise, if you want a break, I'll take one	09:48:18	
2	at the next convenient point. Is that okay?	09:48:20	
3	A Okay.	09:48:23	
4	Q. You testified multiple times on	09:48:25	
5	Tuesday that in your mind, Funds don't have	09:48:28	
6	balances. Do you recall that?	09:48:33	
7	MS. McKEEN: Object to the form.	09:48:37	
8	THE WITNESS: I do recall saying	09:48:40	
9	that I don't think about Fund numbers in that	09:48:41	
10	way.	09:48:46	
11	BY MS. MILLER:	09:48:46	
12	Q. Okay. When you say "Fund	09:48:49	
13	numbers," what do you mean?"	09:48:52	
14	A Numbers that correspond with	09:48:56	
15	different Funds within the PRIFAS system.	09:48:59	
16	Q. Okay. So let me ask you so the	09:49:02	
17	record's clear.	09:49:06	
18	Mr. Ahlberg, in your opinion, do	09:49:07	
19	Funds have balances?	09:49:11	
20	MS. McKEEN: Objection to the form	09:49:13	
21	of the question.	09:49:14	
22	UNIDENTIFIED SPEAKER: Objection.	09:49:19	
23	THE WITNESS: I don't typically	09:49:21	
24	think about Funds as having balances.	09:49:22	
25			
239		241	
1	BY MS. MILLER:	09:49:22	
2	Q. Is it your testimony that Funds	09:49:26	
3	within the Commonwealth accounting system do	09:49:27	
4	not have balances?	09:49:31	
5	MS. McKEEN: Objection.	09:49:37	
6	THE WITNESS: I don't think about	09:49:39	
7	Funds having balances within the TSA account.	09:49:40	
8	BY MS. MILLER:	09:49:40	
9	Q. Okay. So it's a yes-or-no	09:49:45	
10	question. I'm not asking you about how you	09:49:46	
11	think about it. I'm asking you whether it is	09:49:48	
12	your testimony that Funds within the	09:49:52	
13	Commonwealth accounting system do not have	09:49:54	
14	balances.	09:49:56	
15	MS. McKEEN: Objection.	09:50:02	
16	THE WITNESS: It is my testimony	09:50:02	
17	that I don't think about Funds having balances	09:50:03	
18	within bank accounts.	09:50:07	
19	BY MS. MILLER:	09:50:07	
20	Q. Does that mean that they don't	09:50:11	
21	have balances?	09:50:14	
22	MS. McKEEN: Objection.	09:50:17	
23	THE WITNESS: It means that that's	09:50:22	
24	not the way that I think about them.	09:50:24	
25			
1	BY MS. MILLER:	09:50:24	
2	Q. Okay. So to the best of your	09:50:26	
3	knowledge, do other people within Treasury in	09:50:29	
4	Puerto Rico think about Funds as having	09:50:30	
5	balances?	09:50:32	
6	MS. McKEEN: Objection.	09:50:34	
7	THE WITNESS: Again, I can't	09:50:36	
8	speculate what every person may or may not	09:50:43	
9	believe about that concept.	09:50:48	
10	BY MS. MILLER:	09:50:49	
11	Q. I didn't ask you to speculate. I	09:50:49	
12	asked you whether to the best of your personal	09:50:51	
13	knowledge, other people within Treasury in	09:50:53	
14	Puerto Rico think about Funds as having	09:50:57	
15	balances.	09:50:58	
16	MS. McKEEN: Objection.	09:50:59	
17	THE WITNESS: It's not typically	09:51:05	
18	how me or others think about Funds.	09:51:06	
19	BY MS. MILLER:	09:51:06	
20	Q. Okay. And when you say "others,"	09:51:09	
21	who are you referring to?	09:51:12	
22	A Just generally others within the	09:51:20	
23	Department of Treasury.	09:51:21	
24	Q. And when you say "typically," do	09:51:23	
25	you sometimes think about Funds as having	09:51:24	
1	balances?	09:51:26	
2	A I don't think about Funds having	09:51:32	
3	balances.	09:51:34	
4	Q. Okay. So it's your testimony that	09:51:36	
5	Funds do not have balances, right?	09:51:36	
6	MS. McKEEN: Objection.	09:51:40	
7	UNIDENTIFIED SPEAKER: Objection.	09:51:43	
8	THE WITNESS: I don't think about	09:51:46	
9	Funds having balances within bank accounts.	09:51:48	
10	BY MS. MILLER:	09:51:48	
11	Q. Okay. But you're not willing to	09:51:51	
12	say that they don't have balances, are you?	09:51:52	
13	MS. McKEEN: Objection.	09:51:54	
14	THE WITNESS: That's not how I	09:52:01	
15	think about Funds having balances within bank	09:52:03	
16	accounts.	09:52:06	
17	BY MS. MILLER:	09:52:06	
18	Q. I got it. That's not how you	09:52:07	
19	think about it.	09:52:08	
20	But my question to you is that you	09:52:09	
21	are not willing to say unequivocally that Funds	09:52:11	
22	do not have balances, right? You cannot say	09:52:14	
23	that.	09:52:17	
24			
25			

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1 MS. McKEEN: Objection to the form 2 of the question.	09:52:13 09:52:19	1 audited financial statements did you review in 4 connection with your testimony today?	09:54:58 09:55:00
3 BY MS. MILLER:	09:52:19	3 A. Having reviewed hundreds of	09:55:05
4 Q. Okay. Let me ask another 5 question.	09:52:23 09:52:28	4 documents in preparation for this deposition, I 5 can't recall the exact sections of audited	09:55:07 09:55:09
6 Mr. Ahlberg, can you testify 7 unequivocally that Funds within the TSA do not 8 have balances?	09:52:24 09:52:26 09:52:29	6 financial statements I may have reviewed. 7 Q. What sections generally did you 9 review?	09:55:12 09:55:15 09:55:18
9 A. I don't think about Funds having 10 balances within bank accounts.	09:52:39 09:52:41	9 A. I can't recall any specific 10 sections other than general review of the	09:55:24 09:55:26
11 Q. I'm going to ask you for a 12 yes-or-no answer to my question. It's a simple 13 yes-or-no question. I'm going to ask it again.	09:52:45 09:52:47 09:52:49	11 document. 12 Q. How did you look at the audited 13 financials?	09:55:29 09:55:30 09:55:34
14 I want a yes or a no. If you need to just 15 explain after, I'd be happy to ask you for an 16 explanation, but I'd like a yes or no, okay? 17 Do you understand that?	09:52:51 09:52:55 09:52:57 09:52:59	14 A. It would not be out of the 15 ordinary course of my daily job function to 16 occasionally look at audited financials.	09:55:39 09:55:40 09:55:44
18 MS. McKEEN: Objection. What 19 you're demanding doesn't dictate what his 20 response needs to be. He may not think of it 21 as a yes-or-no question no matter how many 22 times you ask it that way.	09:53:01 09:53:04 09:53:08 09:53:10 09:53:13	17 Q. I know. You told me that you 18 looked at them in connection with your 19 preparation for your deposition today, so I'm 20 asking do you -- why, in preparing for your 21 deposition today, did you look at the audited 22 financials for the Commonwealth?	09:55:47 09:55:49 09:55:53 09:55:55 09:55:57
23 BY MS. MILLER:	09:53:15	23 A. In order to prepare for the	09:56:13
24 Q. Mr. Ahlberg, can you testify 25 unequivocally that Funds within the TSA do not	09:53:15 09:53:17	24 deposition -- 25 Q. Okay.	09:56:15 09:56:15
	243		245
1 have balances?	09:53:19	1 A. -- (indiscernible.)	09:56:17
2 MS. McKEEN: Objection.	09:53:20	2 Q. Okay. And so in preparing for the	09:56:22
3 THE WITNESS: I do not think about 4 Funds as having balances within the TSA.	09:53:26 09:53:27	3 deposition, what did you think was going to be 4 relevant in the audited financial statement?	09:56:23 09:56:25
5 BY MS. MILLER:	09:53:27	5 MS. McKEEN: I'll object to the	09:56:31
6 Q. Can you tell me why you can't give 7 me a yes-or-no answer to that question?	09:53:32 09:53:34	6 extent that, Mr. Ahlberg, you can -- you can 7 answer the question unless it would require you 8 to divulge communications that you had with 9 counsel. You can answer the question as long 10 as you're not revealing attorney-client 11 (indiscernible).	09:56:31 09:56:36 09:56:38 09:56:42
8 A. I cannot give you a yes-or-no 9 answer to that question because that's not how 10 I think about Funds.	09:53:50 09:53:52 09:53:56	10 as you're not revealing attorney-client 11 (indiscernible).	09:56:42 09:56:47 09:56:47
11 Q. Mr. Ahlberg, have you ever looked 12 at the audited financial statements for the 13 Commonwealth?	09:54:07 09:54:09 09:54:10	12 THE REPORTER: I'm sorry, "as long 13 as you're not"?	09:56:47 09:56:47 09:56:47
14 A. I have seen financial statements 15 of the Commonwealth.	09:54:19 09:54:20	14 THE WITNESS: That said, would you 15 mind repeating the question?	09:56:56 09:56:57
16 Q. Have you ever seen the audited 17 financial statements for the Commonwealth?	09:54:24 09:54:27	16 BY MS. MILLER:	09:56:59
18 A. I have seen audited financial 19 statements of the Commonwealth.	09:54:37 09:54:39	17 Q. Sure. My question was: 18 And so in preparing for the	09:56:59 09:57:05
20 Q. Did you review audited financial 21 statements of the Commonwealth in preparation 22 for your testimony today?	09:54:40 09:54:42 09:54:44	19 deposition, what did you think was going to be 20 relevant in the audited financial statement?	09:57:06 09:57:09
23 A. I did review certain portions of 24 audited financial statements.	09:54:50 09:54:53	21 MS. McKEEN: Objection to the form 22 of the question.	09:57:14 09:57:14
25 Q. Okay. So what portions of the	09:54:56	23 THE WITNESS: I don't think I can 24 answer without revealing privileged 25 conversations.	09:57:29 09:57:30 09:57:32

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1	BY MS. MILLER:	09:57:33	1	the record.)	09:59:36
2	Q. Okay. So your testimony is that	09:57:35	2	BY MS. MILLER:	09:59:38
3	you only looked at the audited financial	09:57:35	3	Q. Okay. I want to -- can we mark	09:59:38
4	statement because your lawyers told you to; is	09:57:38	4	the Commonwealth of Puerto Rico basic financial	09:59:42
5	that right?	09:57:40	5	statements that are required supplementary	09:59:45
6	MS. McKEEN: Objection.	09:57:40	6	information dated June 30, 2016, with	09:59:47
7	THE WITNESS: That's not what I	09:57:47	7	independent auditor's report thereon, which was	09:59:51
8	said.	09:57:47	8	Bates-stamped COMMONWEALTH_STA 0010186.	09:59:56
9	BY MS. MILLER:	09:57:47	9	And it's a large document, so	09:59:58
10	Q. Okay. Well, that's the only basis	09:57:48	10	we're going to mark it as Monolines Exhibit 19A	10:00:00
11	to not answer the question.	09:57:50	11	and Exhibit 19B so that we can avoid some of	10:00:03
12	So if you have other -- another	09:57:51	12	the system delay issues we had yesterday.	10:00:08
13	answer, I'm happy to take it now and ask the	09:57:53	13	So it's just the document split.	10:00:11
14	question again.	09:57:59	14	19A is up right now, or was up, and we'll have	10:00:13
15	MS. McKEEN: Objection.	09:58:00	15	19B if you want to flip through more of it.	10:00:20
16	Atara, he's given you an answer.	09:58:01	16	MS. MILLER: Kevin, can you put	10:00:27
17	It's argumentative.	09:58:04	17	19A back up on the screen, please?	10:00:30
18	MS. MILLER: He really hasn't.	09:58:04	18	BY MS. MILLER:	10:00:30
19	Actually, I don't think he's answered a single	09:58:08	19	Q. Mr. Ahlberg, while we are waiting	10:00:41
20	question that I've asked him yet today, so I'm	09:58:11	20	for the exhibit to get back up on the screen,	10:00:43
21	doing to continue making my record,, and I'm	09:58:14	21	Funds refer to specific portions of cash in the	10:00:46
22	going to go to Judge Dein if I can't start	09:58:17	22	TSA; isn't that right?	10:00:48
23	getting answers. So if you think this is how	09:58:19	23	MS. McKEEN: Objection.	10:00:50
24	we're going and you think that's an answer, we	09:58:21	24		
25	will have to fight it out with the judge. No,	09:58:22	25		

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1	he has not given me an answer to my question.	09:58:24	1	THE WITNESS: Can you repeat the	10:01:03
2	MS. McKEEN: Atara, I --	09:58:26	2	question?	10:01:04
3	BY MS. MILLER:	09:58:26	3	BY MS. MILLER:	10:01:04
4	Q. My -- my question is,	09:58:29	4	Q. Do Funds refer to specific	10:01:06
5	Mr. Ahlberg --	09:58:30	5	portions of cash in the TSA?	10:01:08
6	MS. McKEEN: Atara, I was talking.	09:58:32	6	A Depends on how you use the word	10:01:19
7	If you could not cut me off, that would be	09:58:35	7	"Funds."	10:01:23
8	great. I disagree with your characterization	09:58:38	8	Q. Okay. Has the word "Fund," as	10:01:25
9	of the record and the witness's testimony thus	09:58:37	9	used in the Commonwealth accounting, does it	10:01:26
10	far today.	09:58:39	10	refer to specific portions of moneys in the	10:01:28
11	BY MS. MILLER:	09:58:39	11	TSA?	10:01:30
12	Q. Mr. Ahlberg, did you have any	09:58:46	12	MS. McKEEN: Objection.	10:01:33
13	independent reason other than your lawyers	09:58:49	13	THE WITNESS: Funds do not	10:01:42
14	telling you to look at the financial statements	09:58:52	14	identify cash balances within the TSA.	10:01:45
15	to review the audited financial statements in	09:58:54	15	BY MS. MILLER:	10:01:43
16	preparation for your deposition today?	09:58:55	16	Q. Okay. That wasn't my question.	10:01:48
17	A. No. But as I mentioned, I	09:58:59	17	My question is:	10:01:50
18	occasionally review financial statements in the	09:59:11	18	Are Funds associated with specific	10:01:52
19	ordinary course of my business.	09:59:14	19	amounts of money in the TSA?	10:01:56
20	Q. You reviewed them in connection	09:59:17	20	MS. McKEEN: Objection.	10:02:00
21	with your -- the preparation for your	09:59:19	21	That wasn't your question. If you	10:02:01
22	deposition today, right?	09:59:21	22	want to rephrase it, you can.	10:02:03
23	A. Yes.	09:59:26	23	BY MS. MILLER:	10:02:03
24	(Monolines Exhibit 19A and	09:59:36	24	Q. Can you answer that question?	10:02:13
25	Exhibit 19B are introduced for	09:59:36	25	A. Could you repeat it?	10:02:20

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1	Q. Are Funds associated with	10:02:28	4	THE WITNESS: I said what I said.	10:05:59
2	particular amounts of money in the TSA?	10:02:28	5	BY MS. MILLER:	10:05:44
3	A. Funds are not associated with cash	10:02:35	6	Q. So Funds and Fund numbers do	10:05:45
4	balances within the TSA.	10:02:37	7	represent specific revenues into the TSA,	10:05:48
5	Q. What are Funds associated with in	10:02:41	8	right?	10:05:53
6	the TSA?	10:02:42	9	A. Fund numbers can be used to track	10:05:54
7	A. Funds are used to record revenue.	10:02:59	10	earned revenues.	10:05:55
8	Q. Revenues in the TSA, right?	10:03:07	11	Q. Okay. And can earned revenues	10:05:59
9	A. Revenues that results in cash	10:03:12	12	also result in cash in the TSA?	10:06:03
10	receipts deposited into the TSA.	10:03:15	13	A. Earned revenues -- earned revenues	10:06:13
11	Q. How is that different from what I	10:03:19	14	that turn into cash receipts may -- may be	10:06:20
12	said?	10:03:21	15	deposited into the TSA.	10:06:25
13	MS. McKEEN: Object to the form.	10:03:25	16	Q. And may be allocated to the same	10:06:28
14	THE WITNESS: An inherent	10:03:29	17	Fund numbers, correct?	10:06:30
15	difference between earned revenue and cash	10:03:31	18	MS. McKEEN: Objection.	10:06:31
16	receipts.	10:03:33	19	THE WITNESS: I don't think about	10:06:38
17	BY MS. MILLER:	10:03:39	20	allocations of Fund numbers. That doesn't make	10:06:38
18	Q. All right. So can there be cash	10:03:40	21	sense to me.	10:06:41
19	that's not also revenue?	10:03:42	22	BY MS. MILLER:	10:06:41
20	A. The...	10:03:58	23	Q. Okay. It may be tagged with the	10:06:41
21	Are you asking in the Commonwealth	10:04:10	24	same Fund numbers, right?	10:06:43
22	if there exists noncash revenue streams?	10:04:12	25	MS. McKEEN: Objection.	10:06:46
23	Q. No. My question was the opposite.	10:04:17		THE WITNESS: Would you specify	10:06:48
24	My question is:	10:04:19		when?	10:06:49
25	Is all cash also revenue?	10:04:19			
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1	A. Not being a CPA, I'm not -- I	10:04:27	1	BY MS. MILLER:	10:06:49
2	don't know.	10:04:31	2	Q. No.	10:06:52
3	Q. Okay. So you're prepared to be	10:04:31	3	Okay. So the exhibit now, which	10:06:52
4	really specific about the difference between	10:04:33	4	is Monolines Exhibit 19A. As I mentioned, 19B,	10:06:57
5	cash and revenue, because you're not a CPA, so	10:04:36	5	Mr. Ahlberg, if you need to look at the second	10:07:05
6	you can't tell me whether there's cash that's	10:04:42	6	half in order to refer to any of my questions,	10:07:05
7	not also revenue, right?	10:04:44	7	it's available to you. I believe it's	10:07:08
8	UNIDENTIFIED SPEAKER: Objection.	10:04:48	8	submitted -- a submitted exhibit, although it's	10:07:10
9	THE WITNESS: I answered your	10:05:01	9	not currently part of what's being exhibited,	10:07:12
10	previous question.	10:05:04	10	so you should have access to that as well.	10:07:14
11	Is there another question?	10:05:04	11	Do you recognize this document?	10:07:16
12	BY MS. MILLER:	10:05:05	12	A. I recognize the cover page of this	10:07:28
13	Q. Yeah, that was my question.	10:05:06	13	document.	10:07:30
14	My question was that you're	10:05:06	14	Q. Okay. And did you speak to anyone	10:07:35
15	prepared to be very specific about the	10:05:09	15	at Treasury about this document in connection	10:07:35
16	difference between cash and revenue, but	10:05:09	16	with your deposition today?	10:07:38
17	because you're not a CPA, you can't tell me	10:05:10	17	A. No.	10:07:44
18	whether there's cash that's not also revenue;	10:05:12	18	Q. Okay. I'd like to turn to the	10:07:45
19	is that right?	10:05:14	19	next page of the exhibit, please. And do you	10:07:50
20	UNIDENTIFIED SPEAKER: Objection.	10:05:18	20	see this document identifies that it was	10:08:17
21	THE WITNESS: I said what I said	10:05:24	21	prepared by the Puerto Rico Department of the	10:08:19
22	in the previous answer.	10:05:29	22	Treasury? Do you see that?	10:08:23
23	BY MS. MILLER:	10:05:29	23	A. I see that on the document.	10:08:26
24	Q. So that's a yes?	10:05:33	24	Q. You have no reason to dispute	10:08:28
25	MS. McKEEN: Objection.	10:05:35	25	that, do you?	10:08:32

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1	A.	The document says what it says.	10:08:39	1	question.	10:10:26
2	Q.	Is that a no, you have no reason	10:08:46	4	Do you have any reason to believe	10:10:27
3		to dispute that?	10:08:46	3	that this document was not prepared by the	10:10:29
4		MS. McKEEN: Objection.	10:08:47	4	Puerto Rico Department of Treasury?	10:10:31
5		THE WITNESS: The document says it	10:08:48	5	A. They're basic financial statements	10:10:37
6		was prepared by Puerto Rico Department of	10:08:50	6	and required supplementary information. The	10:10:40
7		Treasury.	10:08:50	7	document shows it was prepared by the	10:10:44
8	BY MS. MILLER:		10:08:52	8	Puerto Rico Department of Treasury.	10:10:46
9	Q.	And you have no basis to think	10:08:52	9	Q. And you have no reason to believe	10:10:47
10		that that's not true, right?	10:08:54	10	that that's not true, right?	10:10:48
11	A.	The document says what it says.	10:09:01	11	A. That's what the document says.	10:10:54
12	Q.	Okay. But I'm asking you whether	10:09:03	12	Q. So you're going to refuse to	10:10:55
13		you had any conversations with anybody at	10:09:05	13	answer that question?	10:10:58
14		Treasury about this document and they said,	10:09:07	14	MS. McKEEN: Objection.	10:11:00
15		"Oh, my God, have you seen the 2016 audited	10:09:10	15	BY MS. MILLER:	10:11:09
16		financials? Crazy that that went out. We had	10:09:13	16	Q. That was a question, Mr. Ahlberg.	10:11:09
17		nothing to do with it. I can't believe our	10:09:14	17	I'm asking you if you're refusing to testify	10:11:11
18		name's on it."	10:09:15	18	about whether you have any reason to believe	10:11:14
19		That's my question.	10:09:16	19	that this document was not prepared by the	10:11:15
20		So when I ask you do you have any	10:09:17	20	Department of Treasury.	10:11:17
21		basis to believe that that's not accurate,	10:09:19	21	A. The document says it was prepared	10:11:22
22		that's what I'm asking. Do you understand?	10:09:21	22	by the Department of Treasury.	10:11:26
23		MS. McKEEN: Objection to the form	10:09:24	23	Q. Have you had any conversations	10:11:27
24		of the question.	10:09:25	24	with anybody that would indicate that this	10:11:29
25				25	document was not in fact prepared by the	10:11:30

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1	BY MS. MILLER:	10:09:30	1	Department of Treasury?	10:11:32	
2	Q.	So I'm going to ask my question	10:09:30	2	A. No.	10:11:40
3		again.	10:09:32	3	Q. Have you seen any document that	10:11:40
4		Do you have any basis to believe	10:09:35	4	would indicate that this document was not in	10:11:42
5		that this document was not prepared by the	10:09:36	5	fact prepared by the Puerto Rico Department of	10:11:45
6		Puerto Rico Department of Treasury?	10:09:37	6	Treasury?	10:11:58
7	A.	The document says it was prepared	10:09:39	7	A. No.	10:11:52
8		by the Puerto Rico Department of Treasury.	10:09:41	8	Q. So you have no independent reason	10:11:52
9	Q.	And you have no independent basis	10:09:42	9	to believe that this document was not prepared	10:11:54
10		to believe that that is not true, right?	10:09:45	10	by the Department of Treasury, correct?	10:11:55
11	A.	The document says what it says.	10:09:51	11	A. Document says it was prepared by	10:12:00
12	Q.	Okay. You won't say that you	10:09:53	12	Puerto Rico Department of Treasury.	10:12:02
13		don't have an independent basis to say that	10:09:54	13	Q. I don't think you need a graduate	10:12:08
14		this was not prepared by the -- by the	10:09:57	14	degree to understand my questions, so I'd	10:12:11
15		Puerto Rico Department of Treasury?	10:10:00	15	appreciate going forward, if you could just	10:12:14
16		MS. McKEEN: Objection to the form	10:10:05	16	answer them. Thank you.	10:12:16
17		of the question.	10:10:06	17	MS. McKEEN: Objection.	10:12:20
18	BY MS. MILLER:	10:10:09	18	BY MS. MILLER:	10:12:21	
19	Q.	Mr. Ahlberg, I don't need you to	10:10:09	19	Q. I'd like you to look at the next	10:12:21
20		testify to what the document says. The	10:10:11	20	page of the exhibit. This is the table of	10:12:22
21		document speaks for itself.	10:10:13	21	contents. Have you seen the table of contents	10:12:25
22		I'm asking you for your testimony,	10:10:15	22	to the audited financial statements?	10:12:28
23		whether you have any reason to believe that	10:10:17	23	A. I don't recall typically viewing	10:12:35
24		this document was not prepared by the	10:10:22	24	the table of contents of these financial	10:12:38
25		Puerto Rico Department of Treasury. That's my	10:10:24	25	statements previously.	10:12:41

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1	Q. Okay. Looking at the financial	10:12:41	2	hundreds of documents in preparation for this	10:13:34
2	statements for the Commonwealth, do you see a	10:12:45	2	deposition, I don't have the Funds memorized.	10:13:36
3	section called Basic Financial Statements?	10:12:47	3	BY MS. MILLER:	10:13:41
4	It's the third line down listed in the	10:12:55	4	Q. Do you know -- can you think of	10:13:41
5	contents.	10:12:57	5	any Fund?	10:13:45
6	A. I see where it says Basic	10:12:59	6	A. It depends on how you're using the	10:13:52
7	Financial Statements.	10:13:03	7	term "Funds."	10:13:55
8	Q. And three lines under that, it	10:13:03	8	Q. Well, I'm asking how you	10:13:57
9	says Fund Financial Statements.	10:13:05	9	understand this term was used in these	10:13:59
10	Do you see that?	10:13:08	10	financial statements. Can you think of any	10:14:01
11	A. I see that.	10:13:08	11	Fund?	10:14:07
12	Q. What's your understanding of what	10:13:09	12	A. I can't think of any off the top	10:14:08
13	Fund Financial Statements are?	10:13:12	13	of my head, but I'm happy to flip to the Fund	10:14:10
14	A. Not being a CPA, I don't know the	10:13:12	14	section of this document with you.	10:14:13
15	exact definition of Fund Financial Statements.	10:13:17	15	Q. Okay. So going down a few lines	10:14:14
16	Q. I'm just asking for your	10:13:22	16	from Fund Financial Statements in the table of	10:14:20
17	understanding.	10:13:30	17	contents, do you see about one, two,	10:14:23
18	You mentioned that these	10:13:31	18	three -- well, the next line talks about	10:14:28
19	are -- this is a document you looked at in	10:13:33	19	Government Fund, and it goes through a number	10:14:29
20	connection with your preparation and also a	10:13:35	20	of Funds that have Fund Financial Statements	10:14:31
21	document that you looked at periodically in the	10:13:37	21	contained within these audited financials.	10:14:34
22	ordinary course of business.	10:13:38	22	Do you see that in the table of	10:14:37
23	So what is your understanding --	10:13:40	23	contents?	10:14:38
24	understanding that you're not a CPA, what is	10:13:42	24	A. I see that.	10:14:38
25	your understanding of what Fund Financial	10:13:44	25	Q. Okay. And so the -- I want you to	10:14:38

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1	Statements are?	10:13:46	1	just look at the third entry. It says:	10:16:43
2	A. My understanding of Fund Financial	10:14:00	2	Statement of revenue, expenditures	10:16:46
3	Statements is that there will be financial	10:14:02	3	and changes in Fund balance.	10:16:48
4	statements for Funds.	10:14:05	4	Do you see that?	10:16:52
5	Q. And when you say "for Funds," what	10:14:07	5	A. Yes, I see it.	10:16:52
6	Funds are we talking about?"	10:14:10	6	Q. Do you have an understanding of	10:16:54
7	A. Not being a CPA, I don't know the	10:14:21	7	what "changes in Fund balance" means?	10:16:58
8	exact Funds.	10:14:25	8	A. Without reviewing page 40 of this	10:17:04
9	Q. Okay. Well, why does that require	10:14:28	9	document, I can't say for certain.	10:17:06
10	being a CPA to answer?	10:14:30	10	Q. Okay. Do you have some basic	10:17:11
11	A. Not being a CPA, I think that	10:14:47	11	accounting knowledge?	10:17:13
12	there are specific definitions for those terms	10:14:48	12	A. I do have some basic accounting	10:17:20
13	that I do not want to mischaracterize, not	10:14:55	13	knowledge.	10:17:22
14	being a CPA.	10:14:57	14	Q. How many accounting classes have	10:17:23
15	Q. Okay. So I understand that you're	10:14:59	15	you taken?	10:17:25
16	not a CPA, and that's pretty clear on the	10:15:01	16	A. I can't recall the exact amount of	10:17:29
17	record so far. So when I ask you questions,	10:15:04	17	accounting classes I've taken.	10:17:31
18	it's all going to be based on your	10:15:07	18	Q. More than one?	10:17:33
19	understanding, which is recognizing that you	10:15:08	19	A. Yes.	10:17:33
20	are not a CPA, okay?	10:15:10	20	Q. More than two?	10:17:37
21	So what's your understanding of	10:15:12	21	A. Yes.	10:17:39
22	what Funds are included?	10:15:14	22	Q. More than three?	10:17:41
23	MS. McKEEN: Objection to the form	10:15:22	23	A. Yes.	10:17:46
24	of the question.	10:15:23	24	Q. More than four?	10:17:46
25	THE WITNESS: Having reviewed	10:15:24	25	A. Yes.	10:17:48

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1	Q.	More than five?	10:17:49	4	MS. McKEEN: Objection.	10:20:15	
2	A.	I think so, but I'm not positive.	10:17:56	2	THE WITNESS: I can't recall.	10:20:16	
3		As I mentioned, I can't recall the exact	10:17:59	3	BY MS. MILLER:	10:20:19	
4		amount.	10:18:00	4	Q.	Okay. Have you taken any courses	10:20:19
5	Q.	Okay. And so you've taken at	10:18:01	5		while employed at Conway MacKenzie?	10:20:23
6		least five accounting courses; is that right?	10:18:04	6	A.	Could you clarify what you mean by	10:20:31
7	A.	Yes.	10:18:10	7		"courses"?	10:20:35
8	Q.	And were all of those at post high	10:18:11	8	Q.	Any classes, any continuing	10:20:38
9		school level?	10:18:15	9		education presentations, any formal college or	10:20:41
10	A.	Yes.	10:18:16	10		graduate degree classes; as broad a definition	10:20:45
11	Q.	And were some of those part of the	10:18:17	11		of "courses" as you could apply.	10:20:52
12		MBA coursework that you did?	10:18:20	12	A.	I took a course in preparation for	10:21:01
13	A.	No.	10:18:28	13		passing Part 1 of the ERA certification, but no	10:21:03
14	Q.	So you took at least five	10:18:29	14		college courses while I have been employed by	10:21:12
15		accounting courses in college; is that right?	10:18:30	15		Conway MacKenzie.	10:21:15
16	A.	Yes.	10:18:33	16	Q.	Okay. Did you participate in any	10:21:16
17	Q.	And does your job require you to	10:18:35	17		presentations related to government accounting?	10:21:19
18		apply any basic accounting principles or have	10:18:38	18	A.	Not to my recollection.	10:21:26
19		familiarity with accounting principles?	10:18:41	19	Q.	Have you read any books that	10:21:29
20	A.	It is not a requirement to occupy	10:18:51	20		touched on government accounting specifically	10:21:33
21		the position that I have.	10:18:55	21		for the purpose of understanding it?	10:21:35
22	Q.	I'm not asking if that's the job	10:18:56	22	A.	No.	10:21:41
23		description.	10:18:00	23	Q.	Okay. So looking back at	10:21:41
24		I'm asking about whether what you	10:19:00	24		Exhibit 19A, which is still up on the screen,	10:21:43
25		do from day-to-day requires you to have general	10:19:04	25		did you speak to anybody within the Treasury	10:21:47

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1		familiarity with accounting. How's that?	10:19:06	1		Department about what "changes in Fund	10:21:51
2	A.	And I have general familiarity	10:19:13	2		balances" mean?	10:21:56
3		with accounting concepts. I'm not certain that	10:19:14	3		MS. McKEEN: Objection.	10:21:59
4		my job requires that.	10:19:18	4		THE WITNESS: No.	10:22:08
5	Q.	Did any of the courses that you	10:19:21	5		BY MS. MILLER:	10:22:09
6		took on accounting touch on government	10:19:22	6	Q.	Are you surprised to see statement	10:22:11
7		accounting?	10:19:25	7		of revenue expenditures and changes in Fund	10:22:15
8	A.	I did not take a specific	10:19:37	8		balances as an entry in the table of contents	10:22:17
9		government accounting class.	10:19:40	9		of the Commonwealth financial statement?	10:22:21
10	Q.	Okay. But you know that wasn't my	10:19:42	10	A.	I'm not surprised one way or the	10:22:31
11		question. So I'm going to ask you to answer my	10:19:44	11		other.	10:22:37
12		question, which was:	10:19:46	12	Q.	Okay. Even though you don't think	10:22:37
13		Did any of the courses that you	10:19:47	13		of Funds as having balances, you're not	10:22:41
14		took on accounting touch on government	10:19:48	14		surprised to see that in the Commonwealth	10:22:42
15		accounting?	10:19:49	15		audited financials?	10:22:44
16		UNIDENTIFIED SPEAKER: Objection.	10:19:55	16	A.	I'm not surprised one way or the	10:22:48
17		THE WITNESS: I can't recall a	10:19:57	17		other.	10:22:52
18		specific context of every accounting class I	10:19:58	18	Q.	Okay. Having seen this, do you	10:22:52
19		took.	10:20:01	19		stand by your testimony that Funds don't have	10:22:56
20		BY MS. MILLER:	10:20:04	20		balances?	10:22:58
21	Q.	I didn't ask for a recitation of	10:20:05	21		UNIDENTIFIED SPEAKER: Objection.	10:23:08
22		the context of every course.	10:20:07	22		UNIDENTIFIED SPEAKER: Object to	10:23:05
23		I'm asking you if you recall	10:20:08	23		the form.	10:23:08
24		whether any of the accounting courses that you	10:20:08	24		THE WITNESS: I believe my	10:23:08
25		took covered government accounting as well.	10:20:10	25		testimony is that I don't think about Funds	10:23:09

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<p>266</p> <p>1 having balances within the TSA. 10:23:11</p> <p>2 BY MS. MILLER: 10:23:11</p> <p>3 Q. Okay. Mr. Ahlberg, does this tell 10:23:12</p> <p>4 you that others within the Puerto Rico 10:23:17</p> <p>5 Department of Treasury do think of Funds as 10:23:22</p> <p>6 having balances? 10:23:25</p> <p>7 MS. McKEEN: Objection. 10:23:25</p> <p>8 THE WITNESS: Would you repeat the 10:23:43</p> <p>9 question? 10:23:44</p> <p>10 MS. MILLER: Could the court 10:23:49</p> <p>11 reporter read it back, please? 10:23:49</p> <p>12 (Record read as requested.) 10:24:27</p> <p>13 THE WITNESS: It's unclear to me 10:24:27</p> <p>14 what others may or may not think about Fund 10:24:29</p> <p>15 balances based on this line of the table of 10:24:30</p> <p>16 contents here. 10:24:32</p> <p>17 BY MS. MILLER: 10:24:32</p> <p>18 Q. Okay. Mr. Ahlberg, financial 10:24:33</p> <p>19 statements are prepared to serve the public; is 10:24:37</p> <p>20 that right? Audited financial statements are 10:24:39</p> <p>21 prepared for the public; is that right? 10:24:43</p> <p>22 A. Audited financial statements are 10:24:50</p> <p>23 typically published and acceptable to the 10:24:52</p> <p>24 public. 10:24:59</p> <p>25 Q. And these financial statements 10:24:59</p>	<p>268</p> <p>1 (Record read as requested.) 10:27:41</p> <p>2 THE WITNESS: Okay. Well, as I 10:27:41</p> <p>3 mentioned, I don't think about Funds as having 10:27:43</p> <p>4 balances within the TSA. 10:27:47</p> <p>5 BY MS. MILLER: 10:27:47</p> <p>6 Q. All right. So my question is do 10:27:53</p> <p>7 you think of Funds as having balances other 10:27:55</p> <p>8 than balances within the TSA? 10:27:57</p> <p>9 MS. McKEEN: Objection to the 10:27:59</p> <p>10 form. 10:28:03</p> <p>11 THE WITNESS: Right. And as I 10:28:03</p> <p>12 said, I don't think about Funds having balances 10:28:05</p> <p>13 within the TSA. 10:28:08</p> <p>14 BY MS. MILLER: 10:28:08</p> <p>15 Q. Do you think of Funds as having 10:28:14</p> <p>16 any other balances -- all right. Okay. Strike 10:28:17</p> <p>17 that. Let me rephrase. 10:28:20</p> <p>18 Do you think of Funds as having a 10:28:23</p> <p>19 balance other than a balance in the TSA? 10:28:24</p> <p>20 MS. McKEEN: Object to the form. 10:28:29</p> <p>21 BY MS. MILLER: 10:28:32</p> <p>22 Q. Okay. Let me rephrase it one more 10:28:32</p> <p>23 time. 10:28:34</p> <p>24 Do you think about Funds as having 10:28:34</p> <p>25 a balance that is not a balance in the TSA? 10:28:36</p>
<p>267</p> <p>1 that we're looking at, do you know who they 10:25:00</p> <p>2 were audited by? 10:25:03</p> <p>3 A. Off the top of my head, I do not 10:25:05</p> <p>4 recall who audited these financial statements. 10:25:07</p> <p>5 Q. Okay. Well, could we move 10:25:10</p> <p>6 two pages forward to the Bates ending 173? 10:25:12</p> <p>7 Does this refresh your recollection about who 10:25:22</p> <p>8 audited these financial statements? 10:25:25</p> <p>9 MS. McKEEN: Object to the form. 10:25:27</p> <p>10 THE WITNESS: I see that this is 10:25:37</p> <p>11 an independent auditor's report with the KPMG 10:25:39</p> <p>12 header on it. 10:25:44</p> <p>13 BY MS. MILLER: 10:25:44</p> <p>14 Q. Mr. Ahlberg, did KPMG audit the 10:25:47</p> <p>15 Commonwealth's 2016 financial statements? 10:25:52</p> <p>16 A. Yes. 10:25:54</p> <p>17 Q. In response to a question that I 10:26:30</p> <p>18 asked previously, you said that your testimony 10:26:39</p> <p>19 is that you don't think about Funds as having 10:26:39</p> <p>20 balances within the TSA. Do you recall that? 10:26:43</p> <p>21 A. Yes. 10:26:45</p> <p>22 Q. Do you think of Funds as having 10:26:46</p> <p>23 balances other than within the TSA? 10:26:49</p> <p>24 THE WITNESS: Could the court 10:27:14</p> <p>25 reporter read back that question, please? 10:27:15</p>	<p>269</p> <p>1 A. No. 10:28:45</p> <p>2 Q. Do you have an understanding at 10:28:54</p> <p>3 all of what the Fund balances reflected in the 10:28:56</p> <p>4 audited financial statements are? 10:29:00</p> <p>5 A. I do not know exactly what the 10:29:14</p> <p>6 Fund balances shown in these financial 10:29:16</p> <p>7 statements are. 10:29:19</p> <p>8 Q. All right. And the very concept 10:29:20</p> <p>9 of Fund balances is just dissonant entirely 10:29:22</p> <p>10 with your understanding of Funds; is that 10:29:27</p> <p>11 right? 10:29:30</p> <p>12 MS. McKEEN: Object to the form. 10:29:30</p> <p>13 THE WITNESS: I don't think I 10:29:42</p> <p>14 understood the question. 10:29:43</p> <p>15 BY MS. MILLER: 10:29:43</p> <p>16 Q. My question is: 10:29:45</p> <p>17 The very concept of Fund balances 10:29:47</p> <p>18 is fundamentally inconsistent with your 10:29:49</p> <p>19 understanding of Funds; is that right? 10:29:52</p> <p>20 A. That is right, in the 10:30:00</p> <p>21 context that -- in my work that I do for the 10:30:11</p> <p>22 Department of Treasury on a regular basis. 10:30:13</p> <p>23 Q. What about outside of the context 10:30:15</p> <p>24 of the work that you do for the Department of 10:30:17</p> <p>25 Treasury on a regular basis? 10:30:19</p>

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1	A. No.	10:30:24	1	balances?	10:34:02
2	Q. Okay. Do you have any	10:30:26	2	MS. McKEEN: I'm going to object.	10:34:04
3	understanding of the term "valid" as it relates	10:30:29	3	Mr. Ahlberg is here to testify on behalf of the	10:34:06
4	to a Fund?	10:30:35	4	Commonwealth with respect to specifically	10:34:09
5	A. I don't know the exact definition	10:30:45	5	articulated topics, and I believe Mr. -- that,	10:34:10
6	there.	10:30:46	6	along with all the questions you've asked today	10:34:15
7	Q. I'm asking you if you have an	10:30:52	7	are well outside the scope of those topics. So	10:34:28
8	understanding of the term "balance" as it	10:30:54	8	Mr. Ahlberg can answer your questions if he	10:34:29
9	relates to a Fund. I don't understand your	10:30:58	9	knows the answer, but I don't believe the	10:34:34
10	answer, so let me ask my question again.	10:31:00	10	question you just articulated is within the	10:34:36
11	Did you, Mr. Ahlberg, have a	10:31:03	11	scope of the topics that you identified or as	10:34:38
12	personal understanding of the term "balances,"	10:31:05	12	to which Mr. Ahlberg has been designated.	10:34:40
13	as it relates to a Fund?	10:31:08	13	BY MS. MILLER:	10:34:49
14	A. I just -- I don't think about	10:31:19	14	Q. You can answer if you know.	10:34:53
15	Funds having balances.	10:31:21	15	MS. MILLER: Liz, I honestly	10:34:57
16	Q. So you're -- so in your mind	10:31:24	16	cannot even think of a line of questioning that	10:34:59
17	there's no place where the term "Fund" and the	10:31:27	17	is more directly relevant to the 30(b)(6)	10:34:40
18	term "balance" come together; is that right?	10:31:31	18	deposition. So I don't even understand the	10:34:43
19	MS. McKEEN: Objection.	10:31:35	19	basis for your commentary, but that's not an	10:34:45
20	THE WITNESS: Is there an	10:31:55	20	issue for right now.	10:34:47
21	outstanding question?	10:32:00	21	BY MS. MILLER:	10:34:47
22	BY MS. MILLER:	10:32:00	22	Q. My question to Mr. Ahlberg is:	10:34:49
23	Q. Yes, the outstanding question is:	10:32:08	23	Mr. Ahlberg, do you believe that	10:34:51
24	In your mind there's no place	10:32:05	24	it is the Commonwealth's official position that	10:34:53
25	where the term "Fund" and the term "balance"	10:32:06	25	Funds do not have balances?	10:34:55

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1	come together, right?	10:32:12	1	MS. McKEEN: Same objection. I	10:34:58
2	MS. McKEEN: Same objection.	10:32:12	2	appreciate your disagreement, but I'm going to	10:34:59
3	THE WITNESS: Not in the context	10:32:20	3	continue to make whatever objections I think	10:35:01
4	of the Flow of Funds which we have put together	10:32:23	4	are appropriate.	10:35:03
5	and presented to you guys.	10:32:27	5	BY MS. MILLER:	10:35:03
6	BY MS. MILLER:	10:32:30	6	Q. You can answer,	10:35:11
7	Q. What about in any other context?	10:32:31	7	A. I don't know.	10:35:21
8	A. I don't know.	10:32:37	8	Q. Did you speak to anybody within	10:35:22
9	Q. You don't know what you think?	10:32:44	9	Treasury in preparation for your deposition	10:35:36
10	MS. McKEEN: Objection.	10:32:46	10	today about Fund balances?	10:35:38
11	Atara, did you want to rephrase	10:32:54	11	A. No.	10:35:45
12	the question?	10:32:56	12	MS. MILLER: I'd like to pull up	10:35:59
13	BY MS. MILLER:	10:32:58	13	the next exhibit, please.	10:36:00
14	Q. Mr. Ahlberg, is there any place in	10:32:58	14	BY MS. MILLER:	10:36:00
15	your mind where the term "Fund" and the term	10:33:00	15	Q. Mr. Ahlberg, you testified	10:36:02
16	"balance" come together?	10:33:03	16	yesterday that for the last year plus, you've	10:36:03
17	MS. McKEEN: Objection.	10:33:04	17	been involved in preparing -- in assisting with	10:36:06
18	THE WITNESS: I don't know.	10:33:26	18	preparing the weekly cash flow reports. Do you	10:36:09
19	BY MS. MILLER:	10:33:45	19	recall that?	10:36:11
20	Q. Mr. Ahlberg, you're here	10:33:46	20	A. Yes.	10:36:16
21	testifying on behalf of the Commonwealth; isn't	10:33:47	21	Q. So if we could pull up an example	10:36:18
22	that right?	10:33:51	22	of the weekly cash flow report and mark it as	10:36:22
23	A. Yes.	10:33:51	23	Exhibit 20, please.	10:36:25
24	Q. And this is the official testimony	10:33:55	24		
25	of the Commonwealth that Funds don't have	10:33:57	25		

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1	(Monolines Exhibit 20 is	10:36:25	
2	introduced for the record.)	10:36:43	
3	BY MS. MILLER:	10:36:43	
4	Q. Do you know, Mr. Ahlberg, before	10:36:44	
5	we look at this, whether it is the official	10:36:45	
6	position of the Highway Transportation	10:36:48	
7	Authority that there are no Fund balances?	10:36:51	
8	MS. McKEEN: Same objection as	10:36:59	
9	before.	10:37:01	
10	THE WITNESS: I don't know.	10:37:06	
11	BY MS. MILLER:	10:37:06	
12	Q. Okay. Great. So you have in	10:37:09	
13	front of you a document that's been marked as	10:37:11	
14	Monolines Exhibit 20. Do you see that?	10:37:13	
15	A. I see the document.	10:37:16	
16	Q. Is this a document that you	10:37:18	
17	recognize?	10:37:25	
18	A. Yes.	10:37:25	
19	Q. Is this a document that you	10:37:26	
20	assisted in preparing?	10:37:27	
21	A. Me personally, no.	10:37:35	
22	Q. Okay. Well, can you give me an	10:37:37	
23	example, because I'd like to put in front of	10:37:39	
24	you a document that you did personally prepare.	10:37:40	
25	So can you give me an example of a	10:37:43	
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1	weekly cash flow report that you assisted in	10:37:47	
2	preparing that you testified about on Tuesday	10:37:51	
3	that I can pull up as an exhibit for you?	10:37:54	
4	A. I did provide the review of this	10:38:11	
5	document. I did not -- I did not prepare the	10:38:13	
6	document.	10:38:16	
7	Q. Okay. So people who report to you	10:38:17	
8	prepared this document?	10:38:21	
9	A. Correct.	10:38:22	
10	Q. And did you have responsibility	10:38:26	
11	for reviewing the contents?	10:38:27	
12	A. Yes, I had certain review	10:38:36	
13	responsibilities with respect to this report.	10:38:36	
14	Q. Okay. What are your --	10:38:40	
15	(Simultaneous speaking.)	10:38:43	
16	UNIDENTIFIED SPEAKER:	10:38:43	
17	(Indiscernible) is not appearing on my screen.	10:38:51	
18	BY MS. MILLER:	10:38:51	
19	Q. Okay. Does any -- Mr. Ahlberg,	10:38:53	
20	can you see the document?	10:38:56	
21	A. Yes.	10:38:56	
22	Q. Okay.	10:38:57	
23	MS. MILLER: And Ms. McKeen, can	10:38:58	
24	you see it?	10:39:00	
25	MS. McKEEN: I can. Thank you.	10:39:01	
1	MS. MILLER: Okay. So I'll put on	10:39:06	
2	the record, and maybe you can pull it up online	10:39:07	
3	for those who can't see it. It's publicly	10:39:09	
4	available on the AAFAF website. It is the	10:39:13	
5	Treasury Single Account Fiscal Year 2020 Cash	10:39:18	
6	Flow as of April 10, 2020.	10:39:25	
7	It's for ease for people pulling	10:39:27	
8	it up, it's the most recent cash flow that was	10:39:29	
9	published, so it should be the first link.	10:39:31	
10	BY MS. MILLER:	10:39:31	
11	Q. Mr. Ahlberg, I think the question	10:39:33	
12	that was pending was what are your review	10:39:35	
13	responsibilities in connection with this	10:39:38	
14	document?	10:39:39	
15	A. My review responsibilities with	10:39:49	
16	respect to this document generally involve	10:39:52	
17	making sure that the numbers in this document	10:39:57	
18	agree to the numbers of the Department of	10:40:02	
19	Treasury.	10:40:11	
20	Q. Okay. And are there any numbers	10:40:11	
21	in this document, specifically, when you say	10:40:13	
22	"the numbers in this document," or generally	10:40:16	
23	all of them?	10:40:18	
24	A. Generally all of them.	10:40:19	
25	Q. Okay. And what documents do you	10:40:22	
1	look at to confirm that they align with numbers	10:40:24	
2	in the Department of Treasury?	10:40:32	
3	A. There's several -- several	10:40:39	
4	documents that go into this report. Treasury	10:40:44	
5	has maintained an internal cash flow, internal	10:40:50	
6	daily cash flow. That would be my main source	10:40:56	
7	of review with this report, ensuring that this	10:40:59	
8	report tied to the internal daily cash flow	10:41:03	
9	utilized by the Treasury team.	10:41:08	
10	Q. Does the internal daily cash flow	10:41:09	
11	include Fund designation?	10:41:12	
12	A. No.	10:41:13	
13	Q. Okay. Let me take a step back.	10:41:17	
14	Can you generally describe what	10:41:19	
15	this document is for me?	10:41:21	
16	A. Generally this document will show	10:41:25	
17	cash inflows and outflow from the TSA.	10:41:29	
18	Q. Okay. And so this is explicitly	10:41:38	
19	focused on moneys within the TSA; is that	10:41:47	
20	right?	10:41:50	
21	A. Correct. Moneys that flow in or	10:41:50	
22	out of the TSA.	10:41:53	
23	Q. Okay. And if you look at page 8	10:41:56	
24	of the document, if we could turn that so we	10:42:02	
25	don't have to turn our heads. There we go. Is	10:42:16	

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<p>1 this a page from within the report that you 10:42:19</p> <p>2 recognize? 10:42:21</p> <p>3 A. Yes. 10:42:23</p> <p>4 Q. And what is this page? 10:42:25</p> <p>5 A. The TSA cash flow actual results 10:42:30</p> <p>6 for the week ended April 10, 2020. 10:42:33</p> <p>7 Q. Okay. And do you see that 10:42:35</p> <p>8 within -- under State Collections, it was 10:42:51</p> <p>9 General Fund Collections. Do you see that? 10:42:56</p> <p>10 A. Yes. 10:43:00</p> <p>11 Q. And then it also lists non-General 10:43:01</p> <p>12 Fund passthrough collections. Do you see that? 10:43:04</p> <p>13 A. Yes, I see that. 10:43:11</p> <p>14 Q. How are non-General Fund 10:43:12</p> <p>15 pass-through collections identified in the TSA? 10:43:15</p> <p>16 A. Could we please flip to page 10? 10:43:37</p> <p>17 I just want to be sure that I have the right 10:43:38</p> <p>18 line item. 10:43:40</p> <p>19 Q. I think you could actually control 10:43:46</p> <p>20 the document if you want to. 10:43:48</p> <p>21 A. I cannot right now. I think 10:43:50</p> <p>22 somebody needs to give me that control. 10:43:52</p> <p>23 Q. We're on page 10. We're going to 10:43:55</p> <p>24 rotate it and then give you that control so 10:43:56</p> <p>25 that you can look at whatever. 10:43:59</p>	<p>1 Q. As it's used on page 11 of this 10:47:35</p> <p>2 document. 10:47:37</p> <p>3 A. As it's used on this page of the 10:47:43</p> <p>4 document, first to non-General Fund collections 10:47:47</p> <p>5 that either historically or currently pass 10:47:53</p> <p>6 through the list. 10:48:03</p> <p>7 Q. And so you used the word 10:48:08</p> <p>8 "pass-through" in your definition when I asked 10:48:04</p> <p>9 you if there was another way to describe it. 10:48:07</p> <p>10 And is that because "pass-through" 10:48:09</p> <p>11 is sort of a self-explanatory, clear phrase in 10:48:11</p> <p>12 your mind? 10:48:19</p> <p>13 UNIDENTIFIED SPEAKER: Objection. 10:48:19</p> <p>14 THE WITNESS: No. 10:48:23</p> <p>15 BY MS. MILLER: 10:48:28</p> <p>16 Q. Okay. So is there another way 10:48:27</p> <p>17 that you can explain pass-through other than by 10:48:29</p> <p>18 using the word "pass-through"? 10:48:31</p> <p>19 A. If you're just asking for the 10:48:36</p> <p>20 general way for first pass-through without 10:48:48</p> <p>21 saying "pass-through," that's a different 10:48:51</p> <p>22 question than -- is -- is that your question? 10:48:53</p> <p>23 Q. That's my question, yes. 10:48:56</p> <p>24 A. Minimally, pass-through means what 10:49:13</p> <p>25 it means. 10:49:15</p>
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<p>1 A. Okay. Just the (indiscernible). 10:44:01</p> <p>2 That's right. 10:44:01</p> <p>3 Could you repeat your question? 10:44:08</p> <p>4 Q. My question is: 10:44:50</p> <p>5 How are non-General Fund 10:44:52</p> <p>6 pass-through collections identified within the 10:44:53</p> <p>7 TSA? 10:44:56</p> <p>8 A. Non-General Fund pass-through 10:45:20</p> <p>9 collections are understood by concept at the 10:45:23</p> <p>10 sweep account level and the detail by concept. 10:45:31</p> <p>11 And by "concept," I mean by the lines that you 10:45:37</p> <p>12 see under non-GF pass-throughs on this page. 10:45:39</p> <p>13 That information by concept detail is obtained 10:45:45</p> <p>14 from data from the sweep accounts. 10:45:50</p> <p>15 Q. Why is it broken out in a 10:46:00</p> <p>16 reporting of cash within the TSA? 10:46:02</p> <p>17 A. This separates cash inflows. It 10:46:16</p> <p>18 does not opine on cash within the TSA. 10:46:21</p> <p>19 Q. Do you have an understanding of 10:46:31</p> <p>20 what the term "pass-through" means? 10:46:35</p> <p>21 A. Pass-through means pass-through. 10:46:45</p> <p>22 Q. Is there any other way you could 10:46:57</p> <p>23 describe it? 10:47:59</p> <p>24 A. Another way to describe the 10:47:29</p> <p>25 general phrase "pass-through"? 10:47:31</p>	<p>1 Q. Okay. And then going back to 10:49:16</p> <p>2 page 8, the next line is Other Special Revenue 10:49:27</p> <p>3 Fund Collection. Do you see that? 10:49:43</p> <p>4 A. Yes. 10:49:45</p> <p>5 Q. What are Other Special Revenue 10:49:59</p> <p>6 Funds? 10:50:05</p> <p>7 A. Other Special Revenue Funds 10:50:05</p> <p>8 Collections on this document refers to what is 10:50:06</p> <p>9 referred to in Treasury as agency collections. 10:50:10</p> <p>10 Q. Okay. And then going down, the 10:50:15</p> <p>11 next section is Federal Fund Receipts. Do you 10:50:29</p> <p>12 see that? 10:50:31</p> <p>13 A. Yes, I see that. 10:50:31</p> <p>14 Q. And do you have an understanding 10:50:32</p> <p>15 of what Federal Fund receipts are? 10:50:33</p> <p>16 A. Yes. 10:50:36</p> <p>17 Q. And what are they? 10:50:38</p> <p>18 A. In general, it is cash received 10:50:42</p> <p>19 from federal government entities. 10:50:44</p> <p>20 Q. And are -- are federal funds so 10:50:50</p> <p>21 designated within the TSA? 10:50:56</p> <p>22 UNIDENTIFIED SPEAKER: Objection. 10:50:56</p> <p>23 THE WITNESS: I'm -- I'm not sure 10:50:56</p> <p>24 I understood the question. Would you repeat 10:50:56</p> <p>25 it? 10:50:56</p>

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<p>1 BY MS. MILLER:</p> <p>2 Q. Let me ask this:</p> <p>3 Can the Commonwealth send funds,</p> <p>4 federal funds that it receives from Medicaid on</p> <p>5 anything other than Medicaid?</p> <p>6 MS. McKEEN: Objection, outside</p> <p>7 the scope.</p> <p>8 You can answer if you know.</p> <p>9 THE WITNESS: Yeah. I'm not an</p> <p>10 attorney. I don't -- I don't know all the uses</p> <p>11 for Medicaid receipts.</p> <p>12 BY MS. MILLER: 10:52:07</p> <p>13 Q. Okay. So do you think it requires 10:52:07</p> <p>14 an attorney to know all the uses? 10:52:07</p> <p>15 MS. McKEEN: Objection, Atara. 10:52:07</p> <p>16 You could use a better example. 10:52:07</p> <p>17 BY MS. MILLER: 10:52:07</p> <p>18 Q. How do you -- how are federal 10:52:07</p> <p>19 funds identified to be listed in these separate 10:52:10</p> <p>20 buckets within this TSA cash flow report? 10:52:12</p> <p>21 MS. MILLER: Oh, I think we have 10:52:20</p> <p>22 to pause for a minute. Oh, no -- 10:52:24</p> <p>23 THE REPORTER: No, this is the 10:52:33</p> <p>24 court reporter.</p> <p>25 MS. MILLER: Are you -- is the</p>	<p>1 MS. McKEEN: We're fine to go off 10:53:55</p> <p>2 the record as far as a break. It's as good a 10:53:57</p> <p>3 time as any. 10:53:59</p> <p>4 MS. MILLER: Okay. So let's go 10:54:00</p> <p>5 off the record. Let's take a 5-minute break, 10:54:01</p> <p>6 back at 11 Central. 10:54:03</p> <p>7 MS. McKEEN: Atara -- 10:54:06</p> <p>8 THE VIDEOGRAPHER: We are off the 10:54:06</p> <p>9 record at 10:54 a.m. 10:54:10</p> <p>10 (Recess taken.) 10:57:17</p> <p>11 THE VIDEOGRAPHER: We are back on 11:13:11</p> <p>12 the record at 11:13a.m. 11:13:13</p> <p>13 BY MS. MILLER: 11:13:16</p> <p>14 Q. So we were looking at Exhibit 20 11:13:19</p> <p>15 before the break, and I was asking you about 11:13:21</p> <p>16 the federal funds receipt. Do you recall that? 11:13:24</p> <p>17 A. Yes. 11:13:29</p> <p>18 Q. And my question is: 11:13:29</p> <p>19 How are federal funds designated 11:13:30</p> <p>20 within the TSA? 11:13:34</p> <p>21 A. It requires a manual exercise 11:13:41</p> <p>22 performed by Treasury team daily to review the 11:13:46</p> <p>23 TSA operational account bank statements and 11:13:51</p> <p>24 identify transfers from known federal 11:13:53</p> <p>25 government entities and identifying those 11:13:58</p>
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<p>1 court reporter okay for us to proceed? I</p> <p>2 believe the answer is yes.</p> <p>3 THE REPORTER: Yes, it's okay --</p> <p>4 it's okay to proceed. I'm back in. Thank you. 10:52:33</p> <p>5 MS. MILLER: Thank you. 10:52:33</p> <p>6 MR. NATBONY: Just to let you 10:52:36</p> <p>7 know, this is Bill Natbony. There is a large 10:52:39</p> <p>8 delay that at least I'm experiencing, something 10:52:59</p> <p>9 like five or six minutes in both the chat room 10:53:02</p> <p>10 and in the -- hearing the testimony. 10:53:09</p> <p>11 MS. MILLER: I wonder if now might 10:53:14</p> <p>12 be -- yeah, I also have a few seconds. I'm 10:53:16</p> <p>13 wondering if now might be a good time to take a 10:53:19</p> <p>14 quick break and maybe let everybody log out and 10:53:21</p> <p>15 get back in. Let's see if that helps. 10:53:25</p> <p>16 THE REPORTER: This is the court</p> <p>17 reporter -- this is the court reporter. I know</p> <p>18 Henderson said that Live Litigation is</p> <p>19 monitoring, So I'll give them a quick call, if</p> <p>20 we want to take a break, and make -- have Live</p> <p>21 Litigation get involved immediately and see if</p> <p>22 they can straighten this out. 10:53:30</p> <p>23 UNIDENTIFIED SPEAKER: Yeah, I did 10:53:30</p> <p>24 log in and log out. It did not help. 10:53:31</p> <p>25 MS. MILLER: Did not help. Okay. 10:53:33</p>	<p>1 transfers as such in their internal daily cash 11:14:09</p> <p>2 flow workbook that I referenced before. 11:14:11</p> <p>3 Q. Okay. And is a particular Federal 11:14:13</p> <p>4 Fund identified within that internal daily 11:14:16</p> <p>5 workbook? 11:14:19</p> <p>6 A. No. 11:14:21</p> <p>7 Q. Okay. So how are the Funds 11:14:21</p> <p>8 tracked once inside the TSA? 11:14:27</p> <p>9 A. The receipt of this cash is 11:14:36</p> <p>10 tracked, as I mentioned. 11:14:40</p> <p>11 Q. Is the outflow of those federal 11:14:44</p> <p>12 funds also tracked? 11:14:46</p> <p>13 A. Outflows of federal funds are 11:14:50</p> <p>14 tracked. 11:14:56</p> <p>15 Q. How are they tracked? 11:14:57</p> <p>16 A. Depends on the nature of the 11:15:01</p> <p>17 outflow. 11:15:04</p> <p>18 Q. Can you give me an example? 11:15:08</p> <p>19 A. For example, in outflow, for 11:15:11</p> <p>20 example, in line 18 on this report, where it 11:15:19</p> <p>21 says "Federal Fund," under Payroll and Related 11:15:22</p> <p>22 Costs, that would require synthesis of the 11:15:29</p> <p>23 biweekly payroll registers that we review in 11:15:34</p> <p>24 which there would be a Fund designation, a 11:15:39</p> <p>25 Fund-type designation. 11:15:43</p>

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1	Q. Are there other outflows that have	11:15:53	1	So can you explain how that's	11:19:59
2	Fund-type designations?	11:15:55	2	responsive to the question that I asked about	11:19:46
3	MS. McKEEN: Objection.	11:16:02	3	whether federal fund inflows and corresponding	11:19:48
4	THE WITNESS: Yes.	11:16:06	4	outflows are designated on Commonwealth	11:19:52
5	BY MS. MILLER:	11:16:06	5	accounting documents with the same Fund number?	11:19:54
6	Q. What other outflows have Fund-type	11:16:08	6	MS. McKEEN: Objection.	11:20:01
7	designations?	11:16:12	7	THE WITNESS: Outflows on the TSA	11:20:32
8	A. Cash outflows to suppliers, which	11:16:19	8	that are identified as federal fund outflows	11:20:35
9	in this report would be captured in line 22	11:16:27	9	would be tagged with a Fund number that would	11:20:40
10	under Vendor Disbursements, Federal fund.	11:16:30	10	be the same universe of Fund numbers that would	11:20:45
11	Q. And are the outflows designated	11:16:46	11	be used within the accounting system to record	11:20:50
12	with the same Fund identifier as the inflows?	11:16:50	12	federal fund revenue.	11:20:54
13	A. I don't know. We have never done	11:17:18	13	BY MS. MILLER:	11:20:54
14	that exercise.	11:17:19	14	Q. What do you mean by "the same	11:20:57
15	Q. When you say "we," who do you	11:17:21	15	universe"?	11:21:00
16	mean?"	11:17:28	16	A. Same list of Fund numbers.	11:21:02
17	A. Treasury.	11:17:28	17	Q. Do you know whether that's true	11:21:08
18	Q. What exercise are you referring to	11:17:29	18	for Fund 278 revenues?	11:21:10
19	that you've never -- that Treasury has never	11:17:30	19	A. Do I know whether what is true for	11:21:16
20	done?	11:17:34	20	Fund 278 revenues?	11:21:25
21	A. I believe that was any kind of	11:17:53	21	Q. Whether outflows of	11:21:26
22	matching federal fund inflows by Fund number on	11:17:55	22	Fund 278 revenues are similarly tagged with	11:21:26
23	Type 2 with their corresponding outflows, which	11:18:08	23	Fund 278.	11:21:32
24	may appear throughout this document in various	11:18:10	24	UNIDENTIFIED SPEAKER: Objection.	11:21:33
25	line items.	11:18:13	25	THE WITNESS: I believe we looked	11:21:50

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1	Q. My question is whether the	11:18:14	1	at vouchers together on Tuesday of transfers	11:21:50
2	outflows are designated on the Commonwealth's	11:18:15	2	from the TSA to HTA in which Fund Number 278	11:21:56
3	internal accounting documents with the same	11:18:18	3	was included on those vouchers.	11:22:02
4	Fund number as the corresponding inflow.	11:18:20	4	BY MS. MILLER:	11:22:02
5	A. And, again, matching specific	11:18:36	5	Q. So Fund 278 is designated on both	11:22:10
6	Fund, Fund ID numbers would not be an exercise	11:18:42	6	inflows and outflows from the TSA with respect	11:22:12
7	that would be required to put together this	11:18:45	7	to revenues therein, correct?	11:22:15
8	report here.	11:18:47	8	MS. McKEEN: Objection.	11:22:20
9	Q. I didn't ask about mapping, so I'm	11:18:48	9	THE WITNESS: No, the outflows	11:22:29
10	going to ask my question for a third time, and	11:18:51	10	would show Fund 278 as being the source of	11:22:32
11	I'm going to ask you to listen to it carefully,	11:18:53	11	those -- source revenues for a transfer or	11:22:37
12	okay? The question is quite narrow:	11:18:56	12	outflow.	11:22:40
13	Are the outflows designated on the	11:19:00	13	BY MS. MILLER:	11:22:40
14	Commonwealth's internal accounting documents	11:19:04	14	Q. So outflows of Fund 278 revenues	11:22:48
15	with the same Fund number as the corresponding	11:19:06	15	would identify Fund 278 as the source of the	11:22:50
16	inflows for the federal fund example that you	11:19:09	16	revenue for that outflow; is that correct?	11:22:54
17	provided?	11:19:15	17	A. I don't know if that's correct the	11:23:03
18	MS. McKEEN: Asked and answered,	11:19:16	18	way you phrased the question, but outflows to	11:23:05
19	objection.	11:19:17	19	HTA that were -- that the funding source was	11:23:06
20	THE WITNESS: We were speaking	11:19:26	20	revenue earned under 278, that transfer would	11:23:12
21	generally about line items.	11:19:27	21	show that the revenue source for that transfer	11:23:15
22	BY MS. MILLER:	11:19:28	22	was Fund 278 revenue.	11:23:17
23	Q. Was that an answer to my question?	11:19:36	23	Q. Okay. I think we can put this	11:23:25
24	A. Yes.	11:19:41	24	exhibit to the side.	11:23:30
25	Q. I don't understand it.	11:19:44	25	I'm going to turn now,	11:23:37

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1	Mr. Ahlberg, to asking you some questions about	11:23:49	1	Q. And were you referring to Sylvia	11:27:13
2	PRIFA, okay?	11:23:52	2	Lopez Jorge?	11:27:25
3	A. Okay.	11:23:53	3	A. I think that's her full name.	11:27:38
4	Q. Just before I do that, one last	11:23:56	4	Q. Do you know what her position is?	11:27:50
5	question.	11:23:58	5	Let me ask. Is she employed at PRIFA?	11:27:52
6	What about outflows of revenues	11:23:59	6	A. Yes.	11:27:54
7	from Fund 278 to a source other than HTA, would	11:24:04	7	Q. Do you know what her position is	11:27:59
8	they also be tagged with Fund 278 as	11:24:15	8	at PRIFA?	11:27:59
9	the -- sorry -- would they also identify	11:24:19	9	A. I don't know what her exact title	11:27:41
10	Fund 278 as the source of the revenue?	11:24:22	10	is, but I know that she's a manager over a lot	11:27:42
11	A. Could you repeat the question all	11:24:27	11	of PRIFA.	11:27:47
12	together, not broken up?	11:24:29	12	Q. Okay. Do you know whether she's	11:27:47
13	Q. Sure. If there were outflows to	11:24:32	13	an accountant?	11:27:49
14	an entity other than HTA that the funding	11:24:41	14	A. I know that generally she's a	11:27:52
15	source was revenue earned under 278, would that	11:24:46	15	manager in the finance and accounting	11:27:54
16	transfer also show the revenue source for the	11:24:51	16	department. I don't know her exact title or	11:27:57
17	transfer of Fund 278?	11:24:54	17	the way that she exactly considers her	11:27:59
18	A. I'm not certain how to answer that	11:25:10	18	professional occupation.	11:28:02
19	hypothetical question, but I've seen no	11:25:12	19	Q. Okay. She's in the finance and	11:28:02
20	outflows to other entities other than HTA that	11:25:14	20	accounting department; is that right?	11:28:04
21	identified the revenue source of Fund 278.	11:25:19	21	A. Yes.	11:28:10
22	Q. Okay. So you're not certain	11:25:26	22	Q. Okay. Do you know if she's a CPA?	11:28:10
23	whether they exist or not?	11:25:29	23	A. I'm not -- I don't know if she's a	11:28:14
24	A. Whether what exists or not?	11:25:32	24	CPA or not.	11:28:16
25	Q. Whether there are, in fact,	11:25:35	25	Q. Okay. And have you spoken to her	11:28:17

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1	transfers to entities other than HTA that	11:25:37	1	other than in preparation -- have you ever	11:28:21
2	identify a revenue source for Fund 278.	11:25:40	2	spoken to her other than in preparation for	11:28:23
3	A. I've seen no evidence of any	11:25:49	3	your deposition?	11:28:26
4	transfers to entities that would have used Fund	11:25:53	4	A. No.	11:28:27
5	source 278 as the revenue source for that	11:25:57	5	Q. And what did you talk to her	11:28:27
6	transfer.	11:26:02	6	about?	11:28:30
7	Q. When I say "PRIFA," you understand	11:26:17	7	A. I would -- we talked about	11:28:42
8	that I'm referring to the Puerto Rico	11:26:19	8	anything that would help put together the Flow	11:28:44
9	Infrastructure Financing Authority, correct?	11:26:29	9	of Funds presentation that was provided to you	11:28:50
10	A. Yeah.	11:26:29	10	guys in order to understand Flow of Funds	11:28:59
11	Q. And you're here testifying as a	11:26:29	11	during the relevant time period.	11:28:56
12	representative of PRIFA, correct?	11:26:35	12	Q. And did you call her with specific	11:28:59
13	A. Yes.	11:26:40	13	questions?	11:29:02
14	Q. Okay. And I think you -- let me	11:26:43	14	A. When we spoke, sometimes I would	11:29:14
15	ask:	11:26:40	15	have questions to ask her.	11:29:16
16	In connection with the work that	11:26:40	16	Q. How many times did you speak to	11:29:19
17	you do, other than this deposition for the	11:26:42	17	her?	11:29:21
18	Commonwealth, do you have any responsibilities	11:26:46	18	A. I can't recall the exact amount of	11:29:25
19	that relate to PRIFA?	11:26:49	19	times that I spoke with her. I would estimate	11:29:27
20	A. No.	11:26:56	20	about two to three times per week for two to	11:29:31
21	Q. You mentioned yesterday that you	11:27:02	21	three weeks.	11:29:35
22	spoke to someone named Sylvia in connection	11:27:04	22	Q. Okay. Did she provide you with	11:29:43
23	with preparing for your deposition today	11:27:07	23	documents that helped you in preparing the Flow	11:29:46
24	related to PRIFA; is that correct?	11:27:09	24	of Funds?	11:29:54
25	A. Yes.	11:27:13	25	A. Yes.	11:29:54

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1	Q.	And did you prepare the initial	11:25:54	1	identified what the key issues in this	11:32:43
2		Flow of Funds or did somebody else do it?	11:30:03	2	litigation are?	11:32:48
3	A.	It was a collaborative effort.	11:30:04	3	MS. McKEEN: Asked and answered.	11:32:49
4	Q.	And who were you collaborating	11:30:07	4	MS. MILLER: Well, I got the stock	11:32:49
5		with?	11:30:10	5	answer that "I reviewed hundreds of documents."	11:32:50
6	A.	Me, Sylvia, I mentioned, and then	11:30:11	6	That's not an answer. The answer is yes or no	11:32:52
7		Treasury Department, Jeira Belén plus Hector	11:30:18	7	to "Did you review it?"	11:32:55
8		Gomez.	11:30:26	8	MS. McKEEN: Let's be clear. He	11:32:56
9	Q.	Anybody else?	11:30:26	9	told you he didn't remember. If you want to	11:32:59
10	A.	Not that I can recall	11:30:29	10	ask him ten different ways, I don't know why	11:33:00
11		specifically.	11:30:32	11	you're expecting a different answer. If you	11:33:02
12	Q.	Were there any lawyers involved in	11:30:32	12	want to keep going, you can, but it's a waste	11:33:05
13		that?	11:30:34	13	of time. He told you he did not remember.	11:33:07
14	A.	Yes.	11:30:34	14	It's not a stock answer if he does not remember	11:33:11
15	Q.	And which lawyers?	11:30:36	15	something, Atara.	11:33:13
16	A.	Attorneys representing O'Melveny &	11:30:44	16	MS. MILLER: I have a feeling	11:33:16
17		Myers, Marini, AAFAP or Proskauer.	11:30:46	17	somebody suggested to him that anytime someone	11:33:17
18	Q.	Okay. I missed what you said	11:30:57	18	asks about a document he testifies that he's	11:33:18
19		before Proskauer.	11:30:59	19	reviewed hundreds of documents and can't	11:33:20
20	A.	Marini I think is the name of the	11:31:00	20	possibly remember the single document I'm	11:33:22
21		law firm.	11:31:04	21	asking about.	11:33:24
22	Q.	So you mentioned O'Melveny, Marini	11:31:04	22	BY MS. MILLER:	11:33:24
23		and Proskauer; is that right?	11:31:05	23	Q. Mr. Ahlberg, did you review legal	11:33:25
24	A.	Yes.	11:31:13	24	briefs submitted in this litigation?	11:33:29
25	Q.	Okay. Have you reviewed any of	11:31:13	25	MS. McKEEN: Stop. I'm going --	11:33:30

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1		the legal briefs that were submitted to the	11:31:22	1	MS. MILLER: You're not	11:33:32
2		Court in connection with this litigation?	11:31:24	2	interrupting me. There's a question pending.	11:33:33
3	A.	I have seen some of that	11:31:33	3	The witness is going to answer the question.	11:33:35
4		information.	11:31:35	4	If you have an objection, you can state	11:33:38
5	Q.	Okay. And what do you recall	11:31:37	5	"objection" without speaking.	11:33:40
6		seeing?	11:31:39	6	MS. McKEEN: Atara, respectfully,	11:33:41
7	A.	I don't recall specific --	11:31:44	7	I'm going to say what I am going to say, and	11:33:45
8		specific documents.	11:31:46	8	you can't stop me. I don't --	11:33:47
9	Q.	Do you remember seeing any	11:31:49	9	MS. MILLER: No. There are rules	11:33:48
10		oversight for briefs in opposition to the	11:31:52	10	that govern it. You can't just put speaking	11:33:50
11		motion?	11:31:55	11	objections on the record. This is my	11:33:52
12	A.	I think so, but without the	11:32:03	12	deposition, not yours. You can defend, you can	11:33:54
13		document in front of me, it's hard to recall.	11:32:04	13	say "objection." I'm not letting you put a	11:33:56
14	Q.	Okay. Do you know if you read it?	11:32:07	14	speech on the record right now.	11:33:59
15	A.	Without the document in front of	11:32:14	15	MS. McKEEN: I'm responding to	11:34:00
16		me, it's hard to recall.	11:32:17	16	your suggestion that the witness was coached to	11:34:02
17	Q.	Did you read any legal briefs that	11:32:19	17	say that I don't appreciate it, and I would	11:34:04
18		were submitted to the Court in connection with	11:32:21	18	appreciate it if you would conduct yourself in	11:34:06
19		this litigation?	11:32:25	19	a more courteous and professional manner, both	11:34:08
20	A.	I've seen hundreds of documents.	11:32:28	20	to me and to the witness, who's given you a lot	11:34:12
21		I just can't recall the specific documents that	11:32:31	21	of his time.	11:34:14
22		I reviewed.	11:32:34	22	So if you would like to ask him	11:34:14
23	Q.	Could that be if you've read any	11:32:35	23	yet a fourth time if he recalls reading briefs,	11:34:15
24		legal briefs -- you don't remember one way or	11:32:39	24	you can. I object to that. Go ahead.	11:34:18
25		another if you've read any legal briefs that	11:32:43	25		

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20 (Pages 298 to 301)

298			300		
1	BY MS. MILLER:	11:34:14	1	line.	11:37:38
2	Q. Mr. Ahlberg, do you recall reading	11:34:21	2	...the first proceeds of the	11:37:41
3	any of the legal briefs in connection with this	11:34:22	3	federal excise taxes remitted to the Department	11:37:41
4	matter?	11:34:26	4	of Treasury on Puerto Rico in each fiscal	11:37:49
5	A. I have read various legal briefs.	11:34:27	5	year...	11:37:50
6	I can't recall specifically which ones without	11:34:32	6	Do you see that?	11:37:50
7	having the documents in front of me.	11:34:34	7	A. Yes, I see that.	11:37:51
8	Q. Okay. Thank you.	11:34:37	8	Q. Okay. And then if you go down to	11:37:52
9	MS. MILLER: I'd like to mark as	11:34:47	9	about halfway through the paragraph, as it goes	11:37:55
10	an exhibit tab 1102.	11:34:49	10	through various years which are well behind us,	11:38:01
11	(Monolines Exhibit 21 is	11:34:49	11	so I'm going to skip them.	11:38:03
12	introduced for the record.)	11:35:01	12	So in the case of fiscal year 2006	11:38:05
13	BY MS. MILLER:	11:35:01	13	to '7 to 2008 and '9, and at subsequent years	11:38:07
14	Q. Mr. Ahlberg, did you review the	11:35:02	14	until fiscal year 2056 to '57, the	11:38:12
15	PRIFA Enabling Act in connection with your	11:35:05	15	participation shall be for an amount of up to	11:38:15
16	testimony today?	11:35:06	16	\$117 million, which when received by the	11:38:18
17	A. I did not review the PRIFA	11:35:12	17	Department of Treasury of Puerto Rico, shall be	11:38:20
18	Enabling Act.	11:35:17	18	covered into a Special Fund to be maintained by	11:38:25
19	Q. All right. Do you have a general	11:35:17	19	or on behalf of the authority designated as the	11:38:28
20	understanding of the requirements under the	11:35:20	20	Puerto Rico Infrastructure Fund.	11:38:31
21	PRIFA Enabling Act to deposit certain moneys	11:35:22	21	Do you see that?	11:38:35
22	into particular accounts?	11:35:25	22	A. Yes, I see that.	11:38:36
23	MS. McKEEN: Objection.	11:35:26	23	Q. Okay. Do you have an	11:38:38
24	THE WITNESS: I am aware that the	11:35:34	24	understanding of what Special Fund, capital S,	11:38:40
25	PRIFA Enabling Act has certain information	11:35:36	25	capital F, means in the Commonwealth?	11:38:43

299			301		
1	about moneys in accounts, as you mentioned.	11:35:40	1	MS. McKEEN: Objection.	11:38:51
2	BY MS. MILLER:	11:35:40	2	THE WITNESS: I'm not certain what	11:38:52
3	Q. Okay. I'd like to turn to	11:35:44	3	Special Fund means in the context of this page	11:38:53
4	Section 1914, if we could.	11:35:49	4	here. It looks like a definition that we can	11:38:56
5	Let me ask you while we are	11:35:57	5	refer to within the document.	11:39:00
6	getting to it, because it's about 25 pages in,	11:36:10	6	BY MS. MILLER:	11:39:07
7	so it might take a while. We're going page by	11:36:22	7	Q. Not elsewhere defined in the	11:39:07
8	page here.	11:36:25	8	document, but let me ask you, have you ever	11:39:08
9	Do you have an understanding of	11:36:26	9	heard of that term, Special Fund, being used	11:39:11
10	what a special deposit is as used by the	11:36:28	10	anywhere in Commonwealth accounting?	11:39:16
11	Commonwealth?	11:36:33	11	A. I have heard people use the term	11:39:23
12	A. As used by the Commonwealth in	11:36:45	12	"Special Fund," but depending on the context,	11:39:28
13	what context?	11:36:49	13	people could have been referring to different	11:39:31
14	Q. Well, now you have Section 1914 up	11:36:50	14	things.	11:39:33
15	in front of you, and it's titled Special	11:36:53	15	Q. Okay. And what have you -- what	11:39:36
16	Deposit, and my question is if you have an	11:36:56	16	are some of the things that you think it could	11:39:40
17	understanding within the Commonwealth,	11:37:00	17	have been referring to?	11:39:42
18	accounting or otherwise, what a special deposit	11:37:08	18	A. That's -- I'm not sure I have a	11:39:49
19	means.	11:37:04	19	clear understanding from the document.	11:39:54
20	A. I'm not familiar with the term	11:37:08	20	Q. Okay. Do you know whether	11:39:56
21	"special deposit."	11:37:10	21	special -- I'm sorry.	11:39:59
22	Q. Okay. Have you ever heard it?	11:37:12	22	Going back to special deposit, do	11:39:59
23	A. I may have heard the term before.	11:37:19	23	you know whether special deposit is defined in	11:40:02
24	Q. Okay. Okay. So this provision	11:37:21	24	the Commonwealth financial statement of the	11:40:04
25	requires that -- I'm reading about the second	11:37:23	25	Special Fund?	11:40:06

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21 (Pages 302 to 305)

302			304		
1	A. I do not know off the top of my	11:40:11	1	Q. Got it. Okay.	11:42:47
2	head if that's how the financial statements	11:40:18	2	So we'll pull up Monolines	11:42:49
3	define that term.	11:40:16	3	Exhibit 19A and look at page 40.	11:42:53
4	Q. Okay. What does "Fund" mean	11:40:17	4	Okay. So you now have page 40 of	11:43:29
5	within the Commonwealth financial statement?	11:40:27	5	this Monolines Exhibit 19A in front of you.	11:43:41
6	MS. McKEEN: Objection.	11:40:30	6	Looking at this document, can you	11:43:44
7	THE WITNESS: Not being a CPA, I	11:40:36	7	tell me what "Fund" means as used within the	11:43:50
8	am not certain. Depends on where in the	11:40:37	8	Commonwealth accounting?	11:43:52
9	financial statements...	11:40:39	9	MS. McKEEN: Objection.	11:43:57
10	BY MS. MILLER:	11:40:39	10	THE WITNESS: Not being a CPA, I'm	11:44:00
11	Q. Okay. Can you give me one example	11:40:43	11	uncertain exactly how "Funds" is used within	11:44:01
12	of what it might mean?	11:40:52	12	the Commonwealth accounting (indiscernible)	11:44:03
13	MS. McKEEN: Objection.	11:41:00	13	operate chk give you an example of use of the	11:44:07
14	THE WITNESS: One example of what	11:41:11	14	term "Fund," which was the goal of pointing me	11:44:09
15	might mean?	11:41:13	15	to this page.	11:44:12
16	BY MS. MILLER:	11:41:14	16	BY MS. MILLER:	11:44:27
17	Q. Of what "Fund" means in the	11:41:14	17	Q. Okay. And you don't know what it	11:44:27
18	financial statement. You said it depends on	11:41:17	18	means when on this page it uses the term	11:44:28
19	where -- where it is in the financial	11:41:19	19	"Fund." You were just saying it's your -- it	11:44:31
20	statements.	11:41:19	20	makes sense where the Commonwealth uses the	11:44:33
21	I'm asking you for one option	11:41:20	21	word "Fund" in its accounting statements?	11:44:35
22	based on anything you can think of, and I think	11:41:22	22	UNIDENTIFIED SPEAKER: Objection.	11:44:40
23	you should go back to the financial statements,	11:41:24	23	Yes, since that was in direct response to the	11:44:45
24	if you want to pull them up and go through	11:41:27	24	question that you asked.	11:44:50
25	them.	11:41:29	25		
303			305		
1	MS. McKEEN: Objection.	11:41:29	1	BY MS. MILLER:	11:44:48
2	THE WITNESS: I believe page 40 of	11:41:44	2	Q. And because you are not a CPA, you	11:44:48
3	the financial statements has the word "Fund" on	11:41:44	3	can't tell me what the word "Fund" as used on	11:45:03
4	it.	11:41:47	4	this page or anywhere else in the audited	11:45:05
5	BY MS. MILLER:	11:41:47	5	financials means; is that right?	11:45:10
6	Q. Okay. And my question is:	11:41:49	6	MS. McKEEN: Objection.	11:45:11
7	What does it mean when it's used	11:41:49	7	THE WITNESS: I don't know one way	11:45:13
8	in the financial statements?	11:41:51	8	or the other how the authors of this document	11:45:14
9	MS. McKEEN: Can you please click	11:41:52	9	are using the term "Fund."	11:45:17
10	the exhibit button so we can all see what	11:41:59	10	BY MS. MILLER:	11:45:20
11	you're looking at?	11:42:01	11	Q. Well, this isn't meant to be a	11:45:22
12	THE WITNESS: I'm looking at	11:42:02	12	super secret document, right? It's meant for	11:45:25
13	what's been put in front of me.	11:42:03	13	public consumption, isn't it?	11:45:26
14	MS. McKEEN: Atara, if you'd like	11:42:15	14	MS. McKEEN: Objection.	11:45:30
15	the witness to look at page 40 of the financial	11:42:17	15	THE WITNESS: The audited	11:45:33
16	statements, you can put it in front of him.	11:42:18	16	financial statements are made public.	11:45:34
17	BY MS. MILLER:	11:42:18	17	BY MS. MILLER:	11:45:34
18	Q. Are you saying that you just think	11:42:23	18	Q. Do you have an understanding of	11:45:37
19	page 40 off the top of your head? You happen	11:42:23	19	how the public would expect -- as a member of	11:45:38
20	to remember that page 40 of the financial	11:42:26	20	the public, how the public would expect the	11:45:40
21	statements refers to Fund?	11:42:32	21	word "Fund" to be used in the context of	11:45:42
22	A. If I recall that from the top of	11:42:37	22	Puerto Rico government financial statements?	11:45:43
23	my head, having used the table of contents of	11:42:40	23	UNIDENTIFIED SPEAKER: Objection.	11:45:52
24	that document together, and seeing page 40 next	11:42:43	24	THE WITNESS: I can't speculate on	11:45:53
25	to the line that we discussed together.	11:42:46	25	how the public would interpret the use of the	11:45:54

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22 (Pages 306 to 309)

306		308	
1	word "Fund."	11:48:37	
2	BY MS. MILLER:	11:49:57	
3	Q. What about how you would interpret	11:49:57	
4	the use of the word "Fund"?	11:49:59	
5	MS. McKEEN: Objection.	11:49:03	
6	THE WITNESS: The way that I think	11:49:13	
7	about the use of the word "Fund" are Fund	11:49:19	
8	numbers within the PRIFA system.	11:49:16	
9	BY MS. MILLER:	11:49:16	
10	Q. Looking -- while we have this	11:49:20	
11	document up, I know I asked you about it. Once	11:49:22	
12	we have it, if we can turn to page 161, 162 of	11:49:25	
13	the PDF. It's not the page that I wanted. So	11:49:29	
14	I'll have to come back to it. Okay. I'll come	11:49:59	
15	back to it with a question if I need to.	11:47:01	
16	MS. McKEEN: Atara, I think you	11:47:11	
17	have page 151 up.	11:47:12	
18	THE REPORTER: Ms. McKeen, this is		
19	the court reporter -- I'm sorry. This is the		
20	court reporter. Can you just move your phone a		
21	little bit closer to you?		
22	MS. McKEEN: Is that better?		
23	THE REPORTER: Yes. Thank you.	11:47:51	
24	BY MS. MILLER:	11:47:51	
25	Q. Okay. I want to turn back to tab	11:47:52	
1	received for the specified purposes for which	11:50:32	
2	the law does not specify its recording in any	11:50:33	
3	other Fund. It mainly includes -- it mainly	11:50:38	
4	includes deposits under the custody of the	11:50:42	
5	Courts of Justice for alimony payments,	11:50:44	
6	escrows, revenue collections and agency	11:50:47	
7	accounts for which the Commonwealth act in an	11:50:50	
8	agent's capacity.	11:50:54	
9	Q. Okay. Have you spoken to anybody	11:50:57	
10	at Treasury about Special Deposits?	11:51:05	
11	A. No.	11:51:11	
12	Q. Have you had any conversations	11:51:14	
13	with anyone at PRIFA about the Special Deposits	11:51:17	
14	established under the Enabling Act?	11:51:27	
15	A. We did not have particular	11:51:31	
16	conversations about Special Deposits.	11:51:34	
17	MS. MILLER: Okay. Can we turn	11:51:37	
18	back to tab 1102, Kevin, please?	11:51:42	
19	BY MS. MILLER:	11:51:42	
20	Q. So we have back in front of us	11:51:45	
21	Exhibit -- Monolines Exhibit 21, and we are	11:52:07	
22	looking, again, at Section 1914. And I just	11:52:10	
23	want to draw your attention to the bottom of	11:52:19	
24	the middle portion of that paragraph where it	11:52:24	
25	says the -- shall be covered into -- that the	11:52:25	
307		309	
1	1102. Okay.	11:47:59	
2	Okay. So, sorry, the page that	11:48:11	
3	I'm looking for is actually the second half, so	11:48:15	
4	we're going to just have to load 19B. So give	11:48:21	
5	me one second.	11:48:25	
6	MS. MILLER: Kevin, could you go	11:49:38	
7	to 357, please, back a couple pages? Thank	11:49:40	
8	you. Okay. Here we go.	11:49:44	
9	BY MS. MILLER:	11:49:44	
10	Q. And do you see -- so we are still	11:49:48	
11	in the audited financials for the year ended	11:49:50	
12	June 30, 2016.	11:49:54	
13	Do you see that?	11:49:55	
14	A. Yes, I see it.	11:49:55	
15	Q. And there's a section designated	11:50:01	
16	Special Deposits.	11:50:03	
17	Do you see that?	11:50:05	
18	A. I see that.	11:50:09	
19	Q. And you can just read how the	11:50:10	
20	Commonwealth defines Special Deposits in its	11:50:12	
21	financial reports?	11:50:16	
22	A. Sure. Special Deposits: This	11:50:20	
23	Fund acts as a fiduciary -- sorry.	11:50:24	
24	This Fund acts in a fiduciary	11:50:28	
25	capacity in order to account for moneys	11:50:31	
1	moneys shall be covered into a Special Fund to	11:52:27	
2	be maintained by or on behalf of the authority	11:52:30	
3	designated as the Puerto Rico Infrastructure	11:52:33	
4	Fund.	11:52:37	
5	Do you see that?	11:52:37	
6	A. Yes, I see that.	11:52:40	
7	Q. And is the Puerto Rico	11:52:42	
8	Infrastructure Fund something that you have	11:52:47	
9	ever come across in the accounting material of	11:52:49	
10	the Commonwealth?	11:52:58	
11	A. The concept of the Puerto Rico	11:53:03	
12	Infrastructure Fund is something I discussed	11:53:06	
13	with PRIFA. Is that the question?	11:53:18	
14	Q. That was the question.	11:53:20	
15	And what did you speak to PRIFA	11:53:22	
16	about?	11:53:24	
17	A. We specifically inquired as to the	11:53:34	
18	existence of an Infrastructure Fund account.	11:53:35	
19	Q. And what did PRIFA tell you?	11:53:40	
20	A. That there's no specific bank	11:53:53	
21	account that is designated or known as the	11:53:57	
22	Infrastructure Fund.	11:54:00	
23	Q. Okay. Did you ask whether --	11:54:03	
24	other than a specific bank account whether	11:54:05	
25	there is a Fund, as that term is used in the	11:54:07	

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310	312
<p>1 Commonwealth accounting, designated the 11:54:09</p> <p>2 Puerto Rico Infrastructure Fund? 11:54:11</p> <p>3 A Yes. 11:54:17</p> <p>4 Q. And what was the answer? 11:54:19</p> <p>5 A. That, again, there's no -- there's 11:54:24</p> <p>6 no Fund that is the Puerto Rico Infrastructure 11:54:27</p> <p>7 Fund. 11:54:28</p> <p>8 THE REPORTER: I'm sorry. Can you 11:54:35</p> <p>9 repeat the back half of the answer, please? 11:54:36</p> <p>10 THE WITNESS: There is no account 11:54:39</p> <p>11 number or Fund identified as the Puerto Rico 11:54:40</p> <p>12 Infrastructure Fund. 11:54:44</p> <p>13 BY MS. MILLER: 11:54:44</p> <p>14 Q. When you say "account number," you 11:54:51</p> <p>15 mean bank account number? 11:54:54</p> <p>16 A. Correct. 11:54:55</p> <p>17 Q. Did you speak to anybody at the 11:54:59</p> <p>18 Puerto Rico Department of Treasury regarding 11:55:01</p> <p>19 whether or not there was a Puerto Rico 11:55:03</p> <p>20 Infrastructure Fund? 11:55:04</p> <p>21 A. Yes. 11:55:05</p> <p>22 Q. And who did you speak to? 11:55:09</p> <p>23 A. I can recall discussions with 11:55:15</p> <p>24 Jeira Belén and Hector Gomez. 11:55:21</p> <p>25 Q. And what did they tell you about 11:55:25</p>	<p>1 BY MS. MILLER: 11:56:36</p> <p>2 Q. Of what? 11:56:47</p> <p>3 A. Of rum taxes. 11:57:00</p> <p>4 Q. And you testified, I think, that 11:57:03</p> <p>5 over a matter -- course of a few weeks, you put 11:57:06</p> <p>6 together a Flow of Funds for PRIFA among other 11:57:09</p> <p>7 instrumentalities, right? 11:57:13</p> <p>8 A. Yes. 11:57:14</p> <p>9 Q. And were these the Funds that you 11:57:15</p> <p>10 were tracking in the Flow of Funds? 11:57:16</p> <p>11 UNIDENTIFIED SPEAKER: Note my 11:57:29</p> <p>12 objection, please. 11:57:30</p> <p>13 THE WITNESS: The Flow of Funds, 11:57:35</p> <p>14 those are the Flow of Funds for \$117 million in 11:57:39</p> <p>15 each fiscal year. 11:57:46</p> <p>16 BY MS. MILLER: 11:57:48</p> <p>17 Q. Not just any \$117 million, right? 11:57:50</p> <p>18 A. Not just any \$117 million; 11:58:04</p> <p>19 correct. 11:58:11</p> <p>20 Q. Mr. Ahlberg, what moneys are the 11:58:11</p> <p>21 PRIFA Flow of Funds that you prepared tracking? 11:58:13</p> <p>22 A. We generally track the first 11:58:22</p> <p>23 \$117 million of rum tax proceeds. 11:58:26</p> <p>24 Q. Okay. And those are the moneys 11:58:33</p> <p>25 that Section 1914 indicated were to be 11:58:34</p>
311	313
<p>1 that? 11:55:29</p> <p>2 A. That they did not understand the 11:55:29</p> <p>3 Puerto Rico Infrastructure Fund as being a 11:55:31</p> <p>4 specific or -- a specific bank account or Fund. 11:55:36</p> <p>5 Q. Well, do you have an understanding 11:55:41</p> <p>6 under the statute, based on what we just read 11:55:43</p> <p>7 in Monolines Exhibit 21, about what the 11:55:47</p> <p>8 Puerto Rico Infrastructure Fund -- what moneys 11:55:50</p> <p>9 were supposed to be deposited into the 11:55:52</p> <p>10 Puerto Rico Infrastructure Fund? 11:55:55</p> <p>11 MS. McKEEN: I'll object to the 11:56:00</p> <p>12 extent it calls for any legal testimony, but if 11:56:02</p> <p>13 the witness has a lay understanding, he can 11:56:04</p> <p>14 answer. 11:56:09</p> <p>15 THE WITNESS: Could you repeat the 11:56:16</p> <p>16 question? 11:56:17</p> <p>17 BY MS. MILLER: 11:56:17</p> <p>18 Q. Do you have an understanding of 11:56:18</p> <p>19 what moneys under Section 1914 of Exhibit 21 11:56:19</p> <p>20 were supposed to flow into the Puerto Rico 11:56:24</p> <p>21 Infrastructure Fund? 11:56:28</p> <p>22 MS. McKEEN: Same objections. 11:56:29</p> <p>23 THE WITNESS: I understand that 11:56:36</p> <p>24 this document specifies up to \$117 million. 11:56:36</p> <p>25</p>	<p>1 deposited in a Special Fund called the 11:58:39</p> <p>2 Puerto Rico Infrastructure Fund, right? 11:58:43</p> <p>3 MS. McKEEN: Objection. 11:58:45</p> <p>4 THE WITNESS: That is what this 11:58:46</p> <p>5 Section 1914 says. 11:58:47</p> <p>6 BY MS. MILLER: 11:58:47</p> <p>7 Q. Okay. And that's why you included 11:58:49</p> <p>8 them in the Flow of Funds because that's the 11:58:50</p> <p>9 money that's in dispute in this litigation, 11:58:53</p> <p>10 right? 11:58:55</p> <p>11 A. I don't know if that's the 11:59:04</p> <p>12 specific reason why we entered the Flow of 11:59:05</p> <p>13 Funds as 117 million. 11:59:12</p> <p>14 Q. And not just any 117 million of 11:59:13</p> <p>15 rum taxes, the first 117 million of rum taxes, 11:59:16</p> <p>16 right, that you were tracking? 11:59:20</p> <p>17 A. The first \$117 million of rum 11:59:22</p> <p>18 taxes in a given fiscal year, yes. 11:59:25</p> <p>19 Q. Mr. Ahlberg, did you review any of 11:59:34</p> <p>20 the Commonwealth financial documents to see if 11:59:36</p> <p>21 there was any discussion of a Puerto Rico 11:59:41</p> <p>22 Infrastructure Fund? 11:59:43</p> <p>23 A. I did not specifically review any 11:59:49</p> <p>24 one particular document in search for the 12:00:00</p> <p>25 phrase "Puerto Rico Infrastructure Fund." 12:00:03</p>

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24 (Pages 314 to 317)

<p style="text-align: right;">314</p> <p>1 Q. Did you look at whether the 12:00:10 2 Puerto Rico Infrastructure Fund was identified 12:00:12 3 as a Fund in the Commonwealth's audited 12:00:17 4 financial statements? 12:00:20 5 A. I can't recall off the top of my 12:00:23 6 head if that's something that's included in the 12:00:35 7 financial statements or not. 12:00:37 8 Q. I'm asking you if you looked. 12:00:47 9 A. I did not look through the 12:00:45 10 financial statements for that specific phrase. 12:00:47 11 Q. Okay. Did you look through the 12:00:58 12 financial statements generally for the concept 12:00:55 13 of a Fund established to hold the first 12:00:57 14 \$117 million of rum excise taxes? 12:01:01 15 A. No. 12:01:10 16 Q. All right. Other than speaking to 12:01:11 17 Sylvia and two people at Treasury, did you do 12:01:17 18 anything else to determine whether or not the 12:01:23 19 Commonwealth in fact has a Fund called the 12:01:25 20 Puerto Rico Infrastructure Fund or another Fund 12:01:27 21 designated for the deposit of the first 12:01:30 22 \$117 million of rum excise tax? 12:01:32 23 A. Outside of the conversations with 12:01:44 24 the individuals that I mentioned and -- no. 12:01:46 25 Q. Okay. So you did not look at any 12:01:52</p>	<p style="text-align: right;">316</p> <p>1 MS. MILLER: Kevin, I hate to do 12:02:46 2 this to you, but I'd like to go back to the 12:02:48 3 audited financial statements, please, and I'd 12:02:49 4 like to go to page 347. So it will be at 19B. 12:02:51 5 BY MS. MILLER: 12:03:51 6 Q. Okay. So here we are. Look at 12:03:20 7 number 2. 12:03:23 8 Do you see that it's called 12:03:25 9 Puerto Rico Infrastructure Financing 12:03:26 10 Authority's Special Revenue Fund? Do you see 12:03:28 11 that? 12:03:33 12 A. I see that, yes. 12:03:33 13 Q. Okay. And can you just read the 12:03:36 14 first sentence to me? 12:03:37 15 A. The Special Revenue Fund of the 12:03:43 16 Puerto Rico Infrastructure Financing Authority, 12:03:47 17 a blended component unit, is used to account 12:03:50 18 principally for the moneys received by the 12:03:55 19 Commonwealth up to \$117 million of certain 12:03:57 20 federal excise taxes levied on rum and other 12:04:01 21 articles produced in Puerto Rico and sold in 12:04:05 22 the United States which are collected by the 12:04:07 23 U.S. Treasury and returned to the Commonwealth. 12:04:09 24 Q. Did you have any discussions with 12:04:18 25 anybody at Treasury about what this Special 12:04:20</p>
<p style="text-align: right;">315</p> <p>1 documents to independently verify that, did 12:01:58 2 you? 12:01:58 3 MS. McKEEN: Objection. 12:01:58 4 THE WITNESS: No, but I did look 12:02:04 5 at enough documents to satisfy myself that the 12:02:05 6 Flow of Funds presentation put together was 12:02:11 7 accurate. 12:02:16 8 BY MS. MILLER: 12:02:16 9 Q. Okay. And counsel represented to 12:02:17 10 us that at least since 2014, there has been no 12:02:19 11 Fund identified as the Puerto Rico 12:02:22 12 Infrastructure Funds. Do you understand that? 12:02:23 13 Sorry. Do you agree with that 12:02:26 14 representation? 12:02:27 15 A. Yes. 12:02:27 16 Q. Okay. And you believe that to be 12:02:29 17 true, don't you? 12:02:31 18 A. I guess. 12:02:32 19 Q. So that's a yes? 12:02:39 20 A. Yes. 12:02:41 21 Q. Okay. 12:02:44</p>	<p style="text-align: right;">317</p> <p>1 Revenue Fund is? 12:04:25 2 A. No. 12:04:32 3 Q. Would you have liked to have known 12:04:33 4 about that representation in the financial 12:04:36 5 statements when you were having discussions 12:04:42 6 about the Puerto Rico Infrastructure Fund? 12:04:44 7 UNIDENTIFIED SPEAKER: Objection. 12:04:48 8 THE WITNESS: I can't say whether 12:04:53 9 it would have impacted our conversations one 12:04:54 10 way or the other. 12:04:57 11 BY MS. MILLER: 12:04:57 12 Q. Okay. But would you have liked to 12:04:58 13 have at least known about it so you could ask? 12:05:00 14 MS. McKEEN: Objection. 12:05:04 15 THE WITNESS: I can't say one way 12:05:09 16 or the other. 12:05:11 17 MS. MILLER: I'd like to mark as 12:05:19 18 an exhibit tab 1107, Monolines Exhibit 22. 12:05:50 19 (Monolines Exhibit 22 is 12:05:50 20 introduced for the record.) 12:06:40 21 BY MS. MILLER: 12:06:40 22 Q. Okay. Mr. Ahlberg, you have in 12:06:40 23 front of you a document that was marked 12:06:41 24 Exhibit 22. If we go to the second page of the 12:06:43 25 exhibit, you'll see that it is the trust 12:06:46</p>

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1	agreement related to the Puerto Rico	12:06:54	1	MS. McKEEN: Objection.	12:09:55
2	Infrastructure Financing Authority to Citibank,	12:06:55	2	THE WITNESS: Cash is comingled in	12:09:56
3	N.A?	12:06:55	3	the TSA account, if that's your question.	12:09:59
4	Do you see that?	12:07:01	4	BY MS. MILLER:	12:09:59
5	A. I see that.	12:07:01	5	Q. No. My question is that you can	12:10:02
6	Q. Is this a document that you've	12:07:03	6	have General Fund money in an account and you	12:10:05
7	seen before?	12:07:05	7	can have Fund 278 money in the account and you	12:10:08
8	A. I don't recall specifically	12:07:18	8	can have federal fund money in the account, but	12:10:12
9	reviewing this particular document.	12:07:19	9	there is cash within a single account but the	12:10:14
10	Q. Are you generally familiar with	12:07:28	10	cash is coming from various different Funds,	12:10:17
11	the various accounts that were supposed to be	12:07:29	11	correct?	12:10:24
12	set up under both the Enabling Act and the	12:07:31	12	MS. McKEEN: Objection.	12:10:24
13	trust agreement for -- sorry -- through which	12:07:34	13	THE WITNESS: The source of the	12:10:26
14	the first \$117 million of rum taxes were	12:07:40	14	cash that ends up in the TSA are	12:10:28
15	supposed to flow?	12:07:44	15	different -- different revenue types, different	12:10:32
16	MS. McKEEN: Objection.	12:07:47	16	Fund types.	12:10:33
17	THE WITNESS: I'm not an attorney.	12:07:48	17	BY MS. MILLER:	12:10:35
18	I'm not specific of what those -- our trust	12:07:50	18	Q. They're allocated on the	12:10:36
19	agreement requires in terms of bank accounts or	12:07:52	19	Commonwealth's internal accounting document to	12:10:37
20	not.	12:07:56	20	different Funds, right?	12:10:39
21	BY MS. MILLER:	12:07:56	21	A. The revenues are tagged with Fund	12:10:43
22	Q. I'm not asking what was required.	12:07:56	22	number identifiers when revenue is recorded.	12:10:46
23	I am just asking do you structurally understand	12:07:58	23	Q. Okay. And a single Fund can also	12:10:53
24	the Funds or account that the first	12:08:01	24	have multiple bank accounts associated with it,	12:11:01
25	\$117 million of Puerto Rico -- sorry -- of rum	12:08:04	25	right?	12:11:05
319			321		
1	excise taxes were supposed to flow through?	12:08:10	1	MS. McKEEN: Objection.	12:11:08
2	A. I understand how the Funds did	12:08:17	2	UNIDENTIFIED SPEAKER: Objection.	12:11:11
3	flow. I'm happy to answer any questions about	12:08:20	3	THE WITNESS: I'm not certain what	12:11:15
4	factual information that actually did happen	12:08:24	4	you mean.	12:11:16
5	with respect to the Flow of Funds.	12:08:27	5	MS. MILLER: I don't understand	12:11:17
6	Q. Okay. Are you familiar with a	12:08:28	6	the objection.	12:11:18
7	Fund called the Sinking Fund?	12:08:31	7	BY MS. MILLER:	12:11:19
8	A. Can you be more specific?	12:08:43	8	Q. The General Fund -- does the	12:11:19
9	Q. Yeah, we can turn to page 34 of	12:08:45	9	General Fund have multiple bank accounts?	12:11:22
10	the document, which is Article IV, Section 401	12:08:54	10	A. I don't think about Funds having	12:11:26
11	of the trust agreement.	12:08:59	11	bank accounts.	12:11:28
12	Actually, let me ask you one other	12:09:05	12	Q. Why not?	12:11:30
13	thing before we get there. We spoke yesterday	12:09:07	13	A. Because Fund numbers are used to	12:11:31
14	or Tuesday and then this morning about how the	12:09:10	14	record earned revenue and -- and don't -- don't	12:11:46
15	TSA or the operational account of the	12:09:12	15	have anything to do with a cash balance, a	12:11:52
16	Commonwealth has within it revenues from	12:09:15	16	discrete cash balance in the TSA.	12:11:54
17	multiple Funds, correct?	12:09:19	17	Q. Okay. Well, can the General Fund	12:11:56
18	A. It has within it cash receipts	12:09:25	18	have separate accounting accounts, not bank	12:11:59
19	from revenue recorded.	12:09:31	19	accounts, but just accounts that are used for	12:12:01
20	Q. From multiple Funds, right?	12:09:32	20	accounting purposes, internal Commonwealth	12:12:04
21	A. What?	12:09:37	21	account numbers?	12:12:06
22	Q. Obviously had cash receipts from	12:09:42	22	MS. McKEEN: Object to the form.	12:12:08
23	revenue recorded. My point was did it have	12:09:45	23	THE WITNESS: What do you mean by	12:12:16
24	cash receipts from revenue recorded in multiple	12:09:48	24	"account numbers"?	12:12:17
25	different Funds?	12:09:53	25		

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1	BY MS. MILLER:	12:12:17	1	Q. What did you say?	12:15:02
2	Q. Does the Commonwealth have any	12:12:21	4	A. That I don't think about the	12:15:04
3	internal account numbers that it uses when	12:12:23	3	General Fund as having a balance.	12:15:05
4	moneys are received?	12:12:37	4	Q. So how does that differ from what	12:15:09
5	MS. McKEEN: Objection.	12:12:31	5	I said you said?	12:15:11
6	THE WITNESS: The way you're using	12:12:36	6	MS. McKEEN: Objection.	12:15:12
7	"account" is pretty broad.	12:12:38	7	BY MS. MILLER:	12:15:18
8	BY MS. MILLER:	12:12:42	8	Q. I'm just looking for an answer?	12:15:18
9	Q. I'm asking within the	12:12:42	9	A. If the court reporter wants to	12:15:19
10	Commonwealth's internal accounting, does it use	12:12:47	10	repeat back what is said, sure.	12:15:20
11	account numbers to identify different moneys	12:12:54	11	Q. Okay. I don't want the court	12:15:22
12	within a particular Fund?	12:13:07	12	reporter to repeat back what I said. I'd like	12:15:24
13	MS. McKEEN: Objection.	12:13:06	13	you to look at Section 401 on Monolines	12:15:27
14	THE WITNESS: Revenue account	12:13:19	14	Exhibit 22. So I understand that you said that	12:15:29
15	number -- revenue account number, which would	12:13:22	15	bank accounts within Funds made no sense. I'd	12:15:28
16	then be PRIFA systems referred to as a CFRA	12:13:24	16	like you to look at the section Funds and	12:15:40
17	code. It is possible that one Fund number	12:13:29	17	Accounts.	12:15:42
18	could be attached to a string of data. That	12:13:39	18	Do you see that?	12:15:43
19	string of data would have a -- it could have	12:13:36	19	MS. McKEEN: Object.	12:15:44
20	one Fund number, you could have more than one	12:13:38	20	BY MS. MILLER:	12:15:44
21	different account number, but that's referring	12:13:42	21	Q. Do you see that, Article IV titled	12:15:45
22	to the CFRA account code, the revenue account	12:13:44	22	Funds and Accounts?	12:15:48
23	code within the PRIFA system.	12:13:48	23	A. I see Article IV where it says	12:15:48
24	BY MS. MILLER:	12:13:54	24	Funds and Accounts.	12:15:52
25	Q. Okay. And does the General Fund	12:13:54	25	Q. Okay. And do you have an	12:15:54

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1	have a balance?	12:13:57	1	understanding of what the difference is between	12:16:55
2	A. I don't think of a General Fund as	12:13:58	2	a Fund and an account?	12:16:57
3	having a balance in terms of cash.	12:14:01	3	A. It depends on the context --	12:16:07
4	Q. Hmm. What about in terms -- what	12:14:05	4	Q. Okay. What about in this context?	12:16:08
5	about not in terms of cash?	12:14:06	5	A. Without reviewing this entire	12:16:18
6	A. I don't think about the General	12:14:09	6	section, I'm not sure I could summarize --	12:16:20
7	Fund having balance.	12:14:15	7	(Simultaneous speaking.)	12:16:24
8	Q. Does the General Fund have a	12:14:15	8	A. -- conjecture.	12:16:24
9	balance for accounting purposes?	12:14:17	9	Q. Okay. So let's look at	12:16:24
10	A. Not BCB, no note if they have	12:14:22	10	Section 401. Section 401 is titled Banking	12:16:27
11	balance for accounting purposes or not, but I	12:14:28	11	Funds and Accounts.	12:16:33
12	don't think about Funds in terms of cash	12:14:28	12	Do you see that?	12:16:35
13	balances.	12:14:32	13	A. Yes.	12:16:36
14	Q. You've taken five postsecondary	12:14:35	14	Q. And it says:	12:16:36
15	accounting classes. So I understand you're not	12:14:37	15	A Special Fund is hereby created	12:16:37
16	a Certified Public Accountant, but I think you	12:14:40	16	and designated Puerto Rico Infrastructure	12:16:39
17	can still answer my question. And your answer	12:14:43	17	Financing Authority Special Tax Revenue Bond	12:16:41
18	was no, is that right, the General Fund does	12:14:46	18	Sinking Fund, hereinafter -- herein sometimes	12:16:45
19	not have a balance -- it is your testimony that	12:14:51	19	called the Sinking Fund, to be held by the	12:16:47
20	the General Fund does not have a balance for	12:14:54	20	trustee.	12:16:50
21	accounting purposes?	12:14:56	21	Do you see that?	12:16:51
22	MS. McKEEN: Objection.	12:14:57	22	A. Yes.	12:16:51
23	THE WITNESS: That's not what I	12:14:58	23	Q. And then it says:	12:16:52
24	said.	12:14:59	24	There are hereby created three	12:16:54
25	BY MS. MILLER:	12:15:02	25	separate accounts in the Sinking Fund	12:16:57

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<p style="text-align: right;">326</p> <p>1 designated Bond Service Account, Redemption 2 Account, and Reserve Account. 3 Do you see that? 4 A Yes. 5 Q So now let me ask again. Do you 6 understand that a Fund can have multiple bank 7 accounts associated with it? 8 MS. McKEEN: Objections. 9 THE WITNESS: I understand that in 10 the context of this document, that the Sinking 11 Fund that it mentions does appear to have 12 multiple accounts. 13 BY MS. MILLER: 14 Q And you had never heard of that 15 concept before, a Fund having multiple bank 16 accounts associated with it; is that right? 17 MS. McKEEN: Objection, 18 mischaracterizes testimony. 19 THE WITNESS: That's not what I 20 said. 21 BY MS. MILLER: 22 Q Okay. Have you ever encountered 23 this concept of a Fund having multiple bank 24 accounts associated with it previously? 25 A No, because the nature of my work</p>	<p style="text-align: right;">328</p> <p>1 in which I would have encountered the word or 2 concept of Fund. 3 BY MS. MILLER: 4 Q So what other contexts have you 5 encountered it in? 6 A It's hard to say because people 7 use the term "Fund" very loosely. 8 Q Okay. In preparing the Flow of 9 Funds, did you ask for any documents that 10 mapped particular bank account numbers to 11 accounts or Funds identified in the relevant 12 bond documents for the trust agreement in the 13 Enabling Act that we just looked at? 14 MS. McKEEN: Objection to the form 15 of the question. 16 THE WITNESS: Would you repeat the 17 question? 18 BY MS. MILLER: 19 Q Yes. In preparing the Flow of 20 Funds, did you ask whether there were any 21 documents that mapped particular bank account 22 numbers to accounts or Funds identified in the 23 relevant bond document within the trust 24 agreement and the Enabling Act that we just 25 looked at?</p>
<p style="text-align: right;">327</p> <p>1 with -- with Funds is a little different than 2 what they're calling a Fund in this document. 3 Q Okay. In what way? 4 A Because when I think of Funds, I 5 think of the Fund number identifiers within the 6 PRIFA system. 7 Q Okay. That's the only time you've 8 ever encountered the concept of a Fund with 9 respect to Puerto Rico and -- with respect to 10 Puerto Rico and the instrumentalities which are 11 designated as the 30(b)(6) to testify today? 12 MS. McKEEN: Objection. 13 THE WITNESS: I don't know. What 14 was the question there? 15 BY MS. MILLER: 16 Q The question was that the Fund 17 designation within the PRIFA system is the only 18 time that you've encountered the concept of a 19 Fund with respect to Puerto Rico and the 20 instrumentalities with which you were 21 designated to teach as the 30(b)(6) to testify 22 today? 23 MS. McKEEN: Objection. 24 THE WITNESS: The concept of Funds 25 is very broad, so that's not the only context</p>	<p style="text-align: right;">329</p> <p>1 MS. McKEEN: Objection. 2 THE WITNESS: No. 3 BY MS. MILLER: 4 Q Why not? 5 A I felt comfortable with the work 6 that I did to satisfy myself that the Flow of 7 Funds presentations that we submitted were 8 correct and accurate. 9 BY MS. MILLER: 10 Q Do you know whether there are any 11 internal Commonwealth documents that map 12 specific bank accounts to the Funds and 13 accounts identified in the bond documents? 14 A Is that a question? 15 Q Yeah. 16 A It didn't sound like it. Would 17 you repeat it in a way that sounds like a 18 question? 19 Q Okay. Do you know whether there 20 are any internal Commonwealth documents that 21 map specific bank accounts to the Funds and 22 accounts identified in the bond documents? 23 A I've seen no evidence of that. 24 Q Okay. Where did you look for 25 that, or let me ask before that.</p>

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<p style="text-align: right;">330</p> <p>1 You didn't ask anybody for it. So 12:22:30</p> <p>2 did you independently look for such a document? 12:22:33</p> <p>3 A. No. 12:22:40</p> <p>4 Q. What's the basis for your 12:22:43</p> <p>5 testimony that you don't believe there is any? 12:22:45</p> <p>6 MS. McKEEN: Objection, misstates 12:22:48</p> <p>7 testimony. 12:22:50</p> <p>8 THE WITNESS: After discussions 12:22:52</p> <p>9 with Treasury and PRIFA, I saw no evidence of 12:22:58</p> <p>10 that. 12:23:04</p> <p>11 BY MS. MILLER: 12:23:04</p> <p>12 Q. What were the nature of those 12:23:09</p> <p>13 discussions? 12:23:12</p> <p>14 A. The nature of those discussions 12:23:15</p> <p>15 were preparation for this deposition. 12:23:23</p> <p>16 Q. Okay. So you're assuming that if 12:23:27</p> <p>17 they had a document mapping particular Funds or 12:23:29</p> <p>18 accounts, they would have mentioned it in the 12:23:38</p> <p>19 course of the conversations even though you 12:23:37</p> <p>20 didn't ask for it? 12:23:39</p> <p>21 MS. McKEEN: Objection. 12:23:39</p> <p>22 THE WITNESS: That would have 12:23:50</p> <p>23 been -- I believe I would have been aware 12:23:52</p> <p>24 of -- of any evidence to the contrary. 12:23:59</p> <p>25</p>	<p style="text-align: right;">332</p> <p>1 refer to the first \$117 million of rum revenues 12:26:46</p> <p>2 in the TSA? 12:26:50</p> <p>3 A. No, I think it generally refers to 12:26:59</p> <p>4 the first 117 million of rum revenues earned. 12:26:01</p> <p>5 Q. Regardless of where they were? 12:26:04</p> <p>6 A. I'm speaking generally about the 12:26:14</p> <p>7 concepts of the Infrastructure Fund as 12:26:16</p> <p>8 understood by relevant individuals. 12:26:20</p> <p>9 Q. Okay. And so the common 12:26:24</p> <p>10 understanding of that term is that the first 12:26:26</p> <p>11 \$117 million of rum excise taxes are in the 12:26:30</p> <p>12 Puerto Rico Infrastructure Fund? 12:26:36</p> <p>13 MS. McKEEN: Objection. 12:26:44</p> <p>14 THE WITNESS: No. 12:26:44</p> <p>15 BY MS. MILLER: 12:26:44</p> <p>16 Q. Well, tell me again how you 12:26:47</p> <p>17 understand it, how that term is generally 12:26:48</p> <p>18 understood within the Commonwealth? 12:26:50</p> <p>19 A. Generally understood as the first 12:26:53</p> <p>20 117 million of rum revenues in each fiscal 12:26:58</p> <p>21 year. 12:27:07</p> <p>22 Q. Okay. 12:27:07</p> <p>23 THE WITNESS: How does anybody 12:27:15</p> <p>24 feel about a break here, maybe breaking for 12:27:16</p> <p>25 lunch? 12:27:18</p>
<p style="text-align: right;">331</p> <p>1 BY MS. MILLER: 12:23:59</p> <p>2 Q. How would you have been aware of 12:24:03</p> <p>3 it? 12:24:05</p> <p>4 A. Again, through discussions with 12:24:05</p> <p>5 the team mentioned. 12:24:15</p> <p>6 Q. Okay. And your counsel 12:24:17</p> <p>7 represented that the term "Puerto Rico 12:24:21</p> <p>8 Infrastructure Fund" is not understood to refer 12:24:25</p> <p>9 to a specific bank account or accounts or 12:24:27</p> <p>10 accounting designations. Are you aware of that 12:24:30</p> <p>11 representation? 12:24:37</p> <p>12 A. Yes. 12:24:37</p> <p>13 Q. And do you believe it to be true? 12:24:37</p> <p>14 A. Yes. 12:24:44</p> <p>15 Q. How was that term understood? 12:24:54</p> <p>16 A. What term? 12:24:57</p> <p>17 Q. The Puerto Rico Infrastructure 12:24:59</p> <p>18 Fund. 12:25:00</p> <p>19 A. It's understood to generally refer 12:25:07</p> <p>20 to the first 117 million of rum Funds, rum 12:25:10</p> <p>21 revenues. 12:25:25</p> <p>22 Q. Held in the TSA? 12:25:37</p> <p>23 A. Would you mind phrasing that as a 12:25:39</p> <p>24 complete question? 12:25:44</p> <p>25 Q. Is it understood to generally 12:25:45</p>	<p style="text-align: right;">333</p> <p>1 MS. McKEEN: I think it's fine for 12:27:23</p> <p>2 us to take a break if Atara is close to a 12:27:24</p> <p>3 stopping place. 12:27:28</p> <p>4 MS. MILLER: Okay. I'm okay 12:27:34</p> <p>5 taking a break. Can we keep it short, like can 12:27:35</p> <p>6 we come back at 2 o'clock, 1 o'clock Central, 12:27:38</p> <p>7 does that work? 33 minutes, 32 minutes? 12:27:40</p> <p>8 MS. McKEEN: Tim, is that okay 12:27:45</p> <p>9 with you? 12:27:47</p> <p>10 THE WITNESS: Okay. 12:27:48</p> <p>11 MS. MILLER: Okay. 12:27:49</p> <p>12 MS. McKEEN: Fine for us, Atara. 12:27:50</p> <p>13 MS. MILLER: All right. Great, 12:27:52</p> <p>14 thank you. 12:27:53</p> <p>15 THE VIDEOGRAPHER: We are off the 12:27:55</p> <p>16 record at 12:28 p.m. 12:27:54</p> <p>17 (Recess taken.) 12:27:56</p> <p>18 AFTERNOON SESSION 12:27:57</p> <p>19 THE VIDEOGRAPHER: We are back on 01:03:44</p> <p>20 the record at 1:04 p.m. 01:04:23</p> <p>21 BY MS. MILLER: 01:04:23</p> <p>22 Q. Good afternoon, Mr. Ahlberg, 01:04:29</p> <p>23 welcome back. 01:04:31</p> <p>24 Do you understand moneys as being 01:04:32</p> <p>25 deposited into the Infrastructure Fund? 01:04:36</p>

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1	THE VIDEOGRAPHER: Counsel, excuse	1	documented rotated?
2	me, I'm sorry. Before he answers, can we just	4	MS. MILLER: Sorry. Say that
3	pause real slightly? I need to resize the	3	again, Liz.
4	screen here and then we can reask the question.	4	MS. McKEEN: I was just asking to
5	I am so sorry.	5	have the document rotated, and it has been. So
6	MS. MILLER: That's okay. Okay.	6	I appreciate that.
7	BY MS. MILLER:	7	THE WITNESS: Okay. Now that we
8	Q. Do you understand moneys as being	8	have the document right side up, would you
9	deposited into the Infrastructure Fund?	9	please repeat the question?
10	A. Yes.	10	BY MS. MILLER:
11	Q. Do you understand the	11	Q. Sure. My question was just
12	Infrastructure Fund as being a Fund held by	12	whether this is a document that you've seen
13	PRIFA?	13	before.
14	MS. McKEEN: Objection.	14	A. Yes.
15	THE WITNESS: I don't think the	15	Q. Is this a document that you saw in
16	Infrastructure Funds as being something held by	16	connection with preparation for your testimony
17	anyone at all.	17	today?
18	THE REPORTER: I'm sorry,	18	A. Yes.
19	Mr. Witness, can you repeat your answer and	19	Q. Is this a document that you had
20	move your phone a little bit closer? Thanks.	20	seen before your testimony?
21	THE WITNESS: Is this better?	21	A. No.
22	THE REPORTER: It is. Thank you.	22	UNIDENTIFIED SPEAKER: Objection.
23	THE WITNESS: Okay. I don't	23	BY MS. MILLER:
24	remember the specific answer that I just gave.	24	Q. So you weren't involved in
25	MS. MILLER: I think for the court	25	preparing the Flow of Funds, were you?
335		337	
1	reporter the answer was:	1	A. I was not involved in preparing
2	I don't think about the	2	this document.
3	Infrastructure Fund as being held by anybody.	3	Q. Okay. And so I just want to
4	Is that correct, Mr. Ahlberg?	4	direct your attention to the bottom half of the
5	THE WITNESS: That is correct.	5	page on the right-hand side. It identifies the
6	Thank you.	6	PRIFA Infrastructure Fund. Do you see that?
7	MS. MILLER: I'm going to mark a	7	A. Where specifically?
8	document as Exhibit -- Monolines Exhibit 23,	8	Q. There's a red box between two
9	tab 1510, please.	9	green boxes on the right-hand side. Do you see
10	(Monolines Exhibit 23 is	10	that?
11	introduced for the record.)	11	A. Yes, I see that, thank you.
12	BY MS. MILLER:	12	Q. Okay. And in the red box, the
13	Q. And while it's loading, I will	13	Flow of Funds is indicating money flowing from
14	describe the document that you'll see on your	14	the TSA to the Puerto Rico Infrastructure Fund.
15	screen in a minute as Exhibit A to the	15	Do you see that? Do you see that,
16	Supplemental Opposition of the Commonwealth of	16	Mr. Ahlberg?
17	Puerto Rico to Amended PRIFA Bondholder Motion	17	A. I see the green box there, where
18	to Lift the Automatic Stay. And it's titled	18	it says:
19	Flow of Rum Taxes. Do you see that?	19	The lockbox trustee (Citibank)
20	A. I see that.	20	remits up to the first \$117 million of rum tax
21	Q. Okay. And if we could just look	21	remittances to the TSA where it is comingled
22	at the next page. Is this a document that you	22	with other funds.
23	recognize?	23	Q. Yes. So on top of that, there
24	A. Please allow me to rotate it.	24	seems to be blue writing that's identifying the
25	MS. McKEEN: Could we have the	25	account, and that says TSA (held by

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1	Commonwealth).	01:10:11	1	into a PRIFA bank account called the	01:12:56
2	Do you see that?	01:10:12	2	Infrastructure Fund?	01:12:59
3	A. I see that.	01:10:13	3	A. No.	01:13:03
4	Q. Okay. And then the flow is	01:10:19	4	MS. MILLER: Okay. So now I'd	01:13:13
5	indicating that moneys are moving from the TSA	01:10:20	5	like to mark as Monolines Exhibit 24 a letter	01:13:15
6	down into the PRIFA Infrastructure Fund which	01:10:24	6	from counsel dated March 21, 2020, which	01:13:23
7	is identified on this Flow of Funds as held by	01:10:27	7	attaches a Flow of Funds that I believe you did	01:13:33
8	PRIFA. Do you see that?	01:10:29	8	prepare for PRIFA.	01:13:40
9	A. I see the arrows that you are	01:10:41	9	(Monolines Exhibit 24 is	01:13:40
10	referring to.	01:10:43	10	introduced for the record.)	01:14:22
11	Q. Okay. And in that red box	01:10:47	11	MS. MILLER: Would you go back to	01:14:22
12	describing the PRIFA Infrastructure Fund, the	01:10:49	12	the first page of the exhibit and rotate the	01:14:24
13	Flow of Funds indicates that historically, the	01:10:53	13	exhibit, please?	01:14:26
14	Commonwealth appropriated 117 million and	01:10:57	14	BY MS. MILLER:	01:14:26
15	deposited such moneys into the PRIFA	01:10:59	15	Q. Okay. Do you recognize this	01:14:29
16	Infrastructure Fund for its "corporate	01:11:01	16	document?	01:14:30
17	purposes" and subject to Section 8, Article IV	01:11:03	17	A. Yes.	01:14:30
18	of the Puerto Rico Constitution.	01:11:06	18	Q. And did you prepare this document?	01:14:30
19	Do you see that?	01:11:08	19	A. Will you allow me to briefly look	01:14:38
20	A. I see where it says that on this	01:11:08	20	through the other pages?	01:14:45
21	document.	01:11:11	21	Q. Yes. Do you have the controls	01:14:47
22	Q. Okay. And based on all of the	01:11:13	22	that you need?	01:14:49
23	work that you've done in connection with	01:11:14	23	A. Yes, thank you.	01:14:51
24	putting together Flow of Funds documents, is	01:11:16	24	The answer to your question is	01:14:53
25	that consistent with your understanding of the	01:11:20	25	yes.	01:14:54

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1	PRIFA Flow of Funds?	01:11:23	1	Q. Okay. And what documents did you	01:14:55
2	MS. McKEEN: Object to form.	01:11:25	2	review in preparing these Flow of Funds?	01:15:00
3	THE WITNESS: I don't know. It's	01:11:32	3	A. Generally, we reviewed bank	01:15:07
4	not an exercise that we did to map this	01:11:34	4	statements and transfer letters or voucher	01:15:10
5	document to the Flow of Funds that I prepared.	01:11:37	5	information.	01:15:13
6	BY MS. MILLER:	01:11:37	6	Q. Okay. And I want to look at the	01:15:19
7	Q. I'm not asking you to map, though.	01:11:42	7	first slide on this, which is the rum taxes	01:15:23
8	I'm just asking you whether it is consistent	01:11:43	8	June '14 to June 2015. And I know yesterday --	01:15:26
9	with your -- everything that you know and all	01:11:47	9	or Tuesday, you had a discussion with	01:15:31
10	of the analysis that you did -- have done that	01:11:51	10	Mr. Natbony about the various colors used in	01:15:33
11	the moneys flowed from the TSA into a bank	01:11:56	11	the chart and what they mean, and I just want	01:15:37
12	account held by PRIFA called the Puerto Rico	01:12:01	12	to confirm with you that they have the same	01:15:39
13	Infrastructure Fund.	01:12:04	13	meaning in the PRIFA Flow of Funds as they did	01:15:42
14	A. Would you please repeat the	01:12:17	14	in the HTA Flow of Funds that you were asked	01:15:43
15	question?	01:12:19	15	about on Tuesday.	01:15:47
16	Q. Is it consistent, based on all of	01:12:22	16	A. Yes.	01:15:56
17	the work and analysis that you did putting	01:12:24	17	Q. Okay. And so to review, the gray	01:15:58
18	together the PRIFA Flow of Funds in this	01:12:27	18	box indicates a Commonwealth account; is that	01:16:00
19	matter, is it your understanding --	01:12:29	19	right?	01:16:06
20	A. I don't know. I did not analyze	01:12:39	20	A. Yes.	01:16:06
21	this document for consistency with the Flow of	01:12:42	21	Q. And what does the blue box	01:16:07
22	Funds documents that I prepared.	01:12:45	22	indicate?	01:16:09
23	Q. Okay. Is it your understanding,	01:12:46	23	A. In this -- in these cases, the	01:16:10
24	based on all of the work that you've done, that	01:12:49	24	blue boxes would indicate that PRIFA's name	01:16:14
25	money flowed historically from the TSA account	01:12:52	25	would be on the bank statements of those	01:16:19

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<p style="text-align: right;">342</p> <p>1 accounts. 01:16:21</p> <p>2 Q. Okay. And when you say PRIFA's 01:16:23</p> <p>3 name would be on it, do you mean as account 01:16:26</p> <p>4 holder? 01:16:28</p> <p>5 A. Yes. 01:16:34</p> <p>6 Q. Okay. And what does the yellow 01:16:36</p> <p>7 box indicate? 01:16:39</p> <p>8 A. Yellow box indicates an account 01:16:42</p> <p>9 that is not a Commonwealth or PRIFA account. 01:16:44</p> <p>10 Q. Okay. And I know it all starts 01:16:49</p> <p>11 with a curved edge with an orange box or peach 01:16:53</p> <p>12 box. I don't know what color that's supposed 01:16:58</p> <p>13 to be. What does that indicate? 01:17:01</p> <p>14 A. That indicates the rum taxes. 01:17:06</p> <p>15 Q. And it's just the taxes 01:17:13</p> <p>16 themselves? 01:17:16</p> <p>17 A. Yeah, yes. 01:17:18</p> <p>18 Q. And when generated before they 01:17:21</p> <p>19 flow into a Commonwealth -- any Commonwealth or 01:17:26</p> <p>20 Commonwealth instrumentality account; is that 01:17:29</p> <p>21 right? 01:17:33</p> <p>22 A. Correct, as in when funds are 01:17:37</p> <p>23 collected in bonded warehouses. 01:17:39</p> <p>24 Q. All right. I missed the end, 01:17:39</p> <p>25 "collected in bonded warehouses"? 01:17:40</p>	<p style="text-align: right;">344</p> <p>1 account. 01:19:12</p> <p>2 Q. And what money specifically is 01:19:17</p> <p>3 this Flow of Funds tracking? 01:19:24</p> <p>4 A. This Flow of Funds is tracking the 01:19:26</p> <p>5 first 117 million of rum revenues in this time 01:19:32</p> <p>6 period, within this time period. 01:19:39</p> <p>7 Q. Okay. I'm going to ask a basic 01:19:41</p> <p>8 question. I hope you can help me with it. 01:19:45</p> <p>9 How were you able to determine 01:19:49</p> <p>10 when the moneys flowed from the 006 account to 01:19:52</p> <p>11 the GDB 1891 account if those were part of this 01:19:55</p> <p>12 \$117 million of rum taxes? 01:20:05</p> <p>13 A. By reviewing either transfer 01:20:11</p> <p>14 letter or voucher information that would have 01:20:14</p> <p>15 indicated a source of funds for that transfer. 01:20:17</p> <p>16 Q. Can you explain to me a little bit 01:20:24</p> <p>17 more what you mean? 01:20:29</p> <p>18 A. In review of transfer letters or 01:20:29</p> <p>19 vouchers that correspond with a transfer from 01:20:37</p> <p>20 GDB account 0006 to GDB account 1891, there 01:20:42</p> <p>21 would be an indication that the source of 01:20:46</p> <p>22 revenue for that cash transfer was in fact 01:20:51</p> <p>23 rum -- rum proceeds. 01:20:57</p> <p>24 Q. So meaning if there was a letter 01:21:02</p> <p>25 from Treasury saying send 35 million -- or 01:21:04</p>
<p style="text-align: right;">343</p> <p>1 A. I think that's the -- the term 01:17:46</p> <p>2 that's used by U.S. Treasury. Maybe I don't 01:17:47</p> <p>3 recall that term specifically. 01:17:51</p> <p>4 Q. Okay. Can you just -- it's not a 01:17:53</p> <p>5 term I'm familiar with. Can you just tell me 01:17:55</p> <p>6 what that means? 01:17:58</p> <p>7 A. Just in general, meaning that U.S. 01:18:00</p> <p>8 Treasury or U.S. Treasury collects these taxes 01:18:05</p> <p>9 at different -- at different points of 01:18:07</p> <p>10 collection. 01:18:13</p> <p>11 Q. All right. And then they all flow 01:18:14</p> <p>12 into, at this time, January '14 to June '15, 01:18:18</p> <p>13 into the 006 account; is that right? 01:18:29</p> <p>14 A. Correct. 01:18:26</p> <p>15 Q. Okay. And then certain 01:18:29</p> <p>16 accounts -- of these accounts have yellow stars 01:18:32</p> <p>17 on them. And is that, as you testified on 01:18:35</p> <p>18 Tuesday, to denote accounts that have comingled 01:18:41</p> <p>19 funds? 01:18:49</p> <p>20 A. Correct. 01:18:49</p> <p>21 Q. And what do you mean by "comingled 01:18:50</p> <p>22 funds"? 01:18:55</p> <p>23 A. On this specific slide, the 01:18:55</p> <p>24 comingled designation would represent that 01:18:57</p> <p>25 revenues besides rum taxes are received into an 01:19:09</p>	<p style="text-align: right;">345</p> <p>1 \$23 million from the 006 account to the 1891 01:21:09</p> <p>2 account as the first transfer of rum excise 01:21:12</p> <p>3 taxes, that was evidence to you that if you saw 01:21:17</p> <p>4 that \$23 million transfer into 1891, that that 01:21:19</p> <p>5 was in fact from the rum excise taxes. Is that 01:21:25</p> <p>6 your testimony? 01:21:30</p> <p>7 A. Right. That hypothetical 01:21:34</p> <p>8 \$23 million transfer would have accompanying 01:21:37</p> <p>9 transfer letter or voucher detail that would 01:21:41</p> <p>10 indicate the source of funds for that transfer 01:21:43</p> <p>11 being rum revenues. 01:21:46</p> <p>12 Q. Okay. And are the transfer 01:21:47</p> <p>13 letters and vouchers maintained as part of the 01:21:48</p> <p>14 Commonwealth accounting documents? 01:21:56</p> <p>15 MS. McKEEN: Object. 01:21:59</p> <p>16 THE WITNESS: The Commonwealth 01:22:05</p> <p>17 maintains and -- maintains historical records 01:22:07</p> <p>18 of vouchers or transfers, if that's what you 01:22:11</p> <p>19 meant. 01:22:14</p> <p>20 BY MS. MILLER: 01:22:14</p> <p>21 Q. Okay. And can you tell me 01:22:15</p> <p>22 specifically what in a voucher would identify 01:22:16</p> <p>23 the source of funds? 01:22:19</p> <p>24 A. I don't recall specifically 01:22:34</p> <p>25 without looking at an individual voucher. 01:22:34</p>

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1	Q. Okay. And so you don't recall	01:22:57	1	query, I don't think of that query as spitting	01:23:27
2	specifically any particular notation account	01:22:59	2	out the voucher, factual voucher that	01:23:31
3	number or other designation on a transfer	01:22:45	3	corresponds with each of those transactions.	01:23:37
4	voucher that would indicate that revenues are	01:22:47	4	Vouchers are recorded within the system, and	01:23:41
5	from the first \$117 million of rum excise	01:22:50	5	you can go in and pull vouchers.	01:23:44
6	taxes; is that right?	01:22:55	6	Q. Well, would it -- what would the	01:23:50
7	MS. McKEEN: Objection.	01:22:57	7	output be of that query in the PRIFA system?	01:23:53
8	BY MS. MILLER:	01:22:59	8	A. You could run a report within the	01:23:59
9	Q. Let me just ask it straight up:	01:22:59	9	PRIFA system that would show all revenue earned	01:24:05
10	Do you recall any specific	01:23:01	10	during a discrete time period of your choosing	01:24:11
11	notation or account number on the transfer	01:23:02	11	under any revenue account code, but specific to	01:24:14
12	voucher that would indicate that the revenues	01:23:06	12	this case for Revenue Code 4220, I believe it	01:24:17
13	are from the first \$117 million of rum excise	01:23:09	13	wasn't.	01:24:25
14	taxes?	01:23:12	14	Q. And how long would it take to run	01:24:25
15	MS. McKEEN: Objection.	01:23:15	15	such a query and get the report?	01:24:27
16	THE WITNESS: There is a -- excuse	01:23:16	16	A. I am not certain exactly how long	01:24:36
17	me. There is a revenue code, revenue SFRA	01:23:19	17	it takes to process a query like that, but I	01:24:37
18	account code that is used when recording the	01:23:25	18	would imagine that would be something that	01:24:41
19	revenues from rum proceeds.	01:23:29	19	could be accomplished in a day.	01:24:44
20	BY MS. MILLER:	01:23:31	20	Q. Do you know whether queries can be	01:24:46
21	Q. And what is that revenue code?	01:23:37	21	run in the PRIFA system remotely or whether you	01:24:50
22	A. I can't recall specifically off	01:23:38	22	need to specifically be within the Treasury	01:24:57
23	the top of my head. I think it's R2220, but I	01:23:40	23	offices to run them?	01:24:59
24	would be able to know it if we looked at a	01:23:44	24	A. I'm not positive. I think there	01:25:02
25	voucher together to verify.	01:23:48	25	are DCMs that exist for people to run queries	01:25:06

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1	Q. Okay. Well, that's -- does R4220	01:23:49	1	if they're not physically there, but I would	01:27:10
2	sound familiar?	01:23:54	2	have to double-check on that and let you know	01:27:13
3	A. It sounds familiar, but without	01:23:59	3	for certain.	01:27:16
4	looking at the voucher to confirm, I am not	01:24:00	4	Q. Have you personally ever accessed	01:27:17
5	100 percent positive.	01:24:03	5	the PRIFA system and run a query on anything	01:27:19
6	Q. Okay. Would the voucher tell you	01:24:04	6	remotely?	01:27:21
7	specifically that it's rum taxes, or would it	01:24:05	7	A. No.	01:27:25
8	just have that account code on it?	01:24:08	8	Q. Okay. Do you know whether the	01:27:29
9	A. It will have the -- a voucher	01:24:09	9	R4220 revenue code continues to attach to rum	01:27:30
10	would have that account code, and the voucher	01:24:21	10	taxes that are collected today?	01:27:39
11	may or may not reference rum on the voucher	01:24:24	11	A. I believe that that revenue	01:27:49
12	apart from just a revenue code.	01:24:29	12	account code is still used to record rum	01:27:51
13	Q. And would you be able to go into	01:24:33	13	revenues that are earned.	01:27:53
14	the PRIFA system and pull all vouchers within	01:24:39	14	Q. Okay. And this chart, which is	01:28:18
15	R4220 revenue there?	01:24:40	15	part of Monolines Exhibit 24, indicates four	01:28:21
16	A. I'm not positive. We would have	01:24:57	16	dotted arrow lines going from the 006 account	01:28:27
17	to follow up on that and get back to you.	01:25:01	17	to a GDB 0704 account. Do you see that?	01:28:30
18	Q. So you don't know if the revenue	01:25:04	18	A. Yes.	01:28:37
19	code is a query that you can run within the	01:25:06	19	Q. Do you know what the GDB 0704	01:28:37
20	system?	01:25:08	20	account is?	01:28:42
21	A. I know for a fact that you can run	01:25:09	21	A. An operational account at PRIFA.	01:28:46
22	a query within the PRIFA system and the	01:25:13	22	Q. And the dotted arrow is footnoted	01:28:55
23	parameters of which Revenue Code 4220 could be	01:25:16	23	to mean that it's a discrete one-time transfer.	01:29:02
24	one of those parameters. But when I think	01:25:20	24	Do you see that?	01:29:05
25	about programming that query and running that	01:25:24	25	A. I do see that.	01:29:06

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<p style="text-align: right;">350</p> <p>1 Q. Is that a designation that you put 2 on that? 01:29:08 3 A. Yes. 01:29:09 4 Q. Sorry. Is that a designation that 5 you attributed to those transfers? 01:29:14 6 A. Yes. 01:29:15 7 Q. What do you mean by a discrete 8 one-time transfer? 01:29:17 9 A. I mean a one-time transfer. In 10 this case, there were four one-time transfers 11 for the exact same amount. 01:29:19 12 Q. How does that differ from the 13 transfers between, for example, the 006 account 14 and the 1891 account? 01:29:41 15 A. I believe there are just more 16 than -- more -- more transfers and then in 17 differing amounts. 01:29:45 18 Q. Do you know how many transfers of 19 rum taxes there were annually from the 006 20 account to the 1891 account? 01:29:49 21 A. I don't know off the top of my 22 head how many transfers there were from 0006 to 23 1891. 01:30:08 24 Q. And if there had only been four, 25 you would have designated them by dotted arrow 01:30:11</p>	<p style="text-align: right;">352</p> <p>1 purposes of PRIFA, which is different than the 01:30:28 2 transfers to GDB 1891, which end up flowing to 01:30:30 3 a US Bank. 01:30:32 4 Q. And what's the difference? 01:30:34 5 A. Those four million dollar -- those 01:30:36 6 four \$1 million transfers were transferred to 01:30:38 7 PRIFA for operational purposes. 01:30:40 8 Q. Okay. And is the flow from 006 to 01:30:42 9 1891 not indicated by a broken arrow because 01:30:44 10 those transfers were subject to legislation or 01:30:46 11 some other obligation to transfer those moneys? 01:30:48 12 MS. McKEEN: Objection. 01:30:50 13 THE WITNESS: I did not consider 01:30:52 14 legislation or allegations when determining 01:30:54 15 whether to use a dotted line or a bold, 01:30:56 16 nondotted line. 01:30:58 17 BY MS. MILLER: 01:31:00 18 Q. Did you consider whether there was 01:31:02 19 a standing direction to transfer the money? 01:31:04 20 A. That would not have been something 01:31:06 21 I considered when determining whether to use a 01:31:08 22 dotted line or not. 01:31:10 23 Q. Okay. So what did you consider in 01:31:12 24 determining whether to use a dotted line or 01:31:14 25 not? 01:31:16</p>
<p style="text-align: right;">351</p> <p>1 line? 01:31:28 2 I'm trying to understand. Is the 01:31:30 3 number of transfers the only thing that is 01:31:32 4 different between the dotted arrow transfers 01:31:34 5 and the solid arrow transfer? 01:31:36 6 A. Okay. Would you mind repeating 01:31:38 7 the question, please? 01:31:40 8 Q. If there had been only four 01:31:42 9 transfers of rum taxes from the 006 account to 01:31:44 10 the 1891 account, would you have designated 01:31:46 11 them on this Flow of Funds with dotted arrows? 01:31:48 12 A. No. The dotted arrows and the use 01:31:50 13 of those four -- the four \$1 million transfers 01:31:52 14 from GDB 0006 to 0704 was done with the reader 01:31:54 15 of this presentation in mind just to make 01:31:56 16 things as understandable as possible. 01:31:58 17 Q. Okay. Given that it's confusing 01:32:00 18 me, I'm asking for a little bit of 01:32:02 19 clarification. 01:32:04 20 So the -- I'm trying to 01:32:06 21 understand. Does the dotted line distinguish 01:32:08 22 between the nature of the transfer from box to 01:32:10 23 box? 01:32:12 24 A. The transfers from 0006 to 0704 do 01:32:14 25 represent discrete transfers for operational 01:32:16</p>	<p style="text-align: right;">353</p> <p>1 A. As mentioned, those dotted lines 01:32:28 2 represent \$1 million transfers to PRIFA's 01:32:30 3 operational account for operation purposes, 01:32:32 4 which is different than the transfers to 01:32:34 5 Account 1891, which are not used for 01:32:36 6 operational purposes during this time period 01:32:38 7 into a US Bank. 01:32:40 8 Q. Do the dotted lines mean used for 01:32:42 9 operational purposes and in light of the fact 01:32:44 10 they're footnoted? 01:32:46 11 A. The dotted lines are a discrete 01:32:48 12 one-time transfer, and then just for added 01:32:50 13 clarification, I've explained to you that those 01:32:52 14 represent operational transfers. 01:32:54 15 Q. How does a discrete one-time 01:32:56 16 transfer differ from the transfers from 006 to 01:32:58 17 1891? 01:33:00 18 A. Discrete one-time transfers were 01:33:02 19 transferred for operational purposes to PRIFA's 01:33:04 20 operational account. 01:33:06 21 Q. Okay. I'm going to just move on 01:33:08 22 because I'm not getting an answer, but I still 01:33:10 23 don't understand it. So we may follow up with 01:33:12 24 a letter to get a more comprehensive answer and 01:33:14 25 explanation for what "discrete one-time 01:33:16</p>

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<p>1 transfer" means. 01:36:15</p> <p>2 Do you know whether those moneys 01:36:16</p> <p>3 that were transferred into the 0704 account 01:36:18</p> <p>4 were transferred out of that account? 01:36:31</p> <p>5 A I do not know because once those 01:36:41</p> <p>6 transfers are within the PRIFA operational 01:36:43</p> <p>7 account, they are comingled and 01:36:47</p> <p>8 indistinguishable from other sources of 01:36:49</p> <p>9 revenue. 01:36:52</p> <p>10 Q. Okay. So if you had been able to 01:36:52</p> <p>11 distinguish and identify the \$4 million from 01:36:55</p> <p>12 the 0704 account based on transfer vouchers, 01:36:56</p> <p>13 transfer orders or other documents, you would 01:37:04</p> <p>14 have indicated the next step in the Flow of 01:37:08</p> <p>15 Funds for those moneys; is that right? 01:37:11</p> <p>16 MS. McKEEN: Objection. 01:37:15</p> <p>17 BY MS. MILLER: 01:37:19</p> <p>18 Q. Let me just ask it. 01:37:19</p> <p>19 If you had been able to 01:37:23</p> <p>20 distinguish and identify those \$4 million on 01:37:23</p> <p>21 the outflow side as coming from the rum tax 01:37:25</p> <p>22 revenues, would you have shown the next step in 01:37:27</p> <p>23 the Flow of Funds from the 0704 account? 01:37:31</p> <p>24 A. I'm assuming that those funds are 01:37:43</p> <p>25 comingled into Account 0704 and that you'd be 01:37:48</p>	<p>1 A. Correct. 01:39:35</p> <p>2 Q. Okay. So my question is on GDB 01:39:46</p> <p>3 0704, if you similarly had evidence like what 01:39:51</p> <p>4 you had with respect to the transfer from 006 01:39:55</p> <p>5 to 1891 that indicated that the next step in 01:39:58</p> <p>6 the Flow of Funds related directly to the rum 01:40:05</p> <p>7 tax revenues, would it have been so indicated 01:40:08</p> <p>8 on this chart? 01:40:11</p> <p>9 A. Would you repeat the question 01:40:19</p> <p>10 again? 01:40:21</p> <p>11 Q. Okay. I'm just going to ask 01:40:24</p> <p>12 another question, then move on. 01:40:26</p> <p>13 Did you do anything -- sorry, 01:40:28</p> <p>14 scratch that. 01:40:31</p> <p>15 Did you look at the outflows from 01:40:32</p> <p>16 the 0704 account to indicate whether you could 01:40:55</p> <p>17 identify rum tax revenues as a source of the 01:40:58</p> <p>18 revenue for any of those outflows? 01:40:44</p> <p>19 A. No. It was my understanding that 01:40:51</p> <p>20 they are comingled in Account 0704 and 01:40:53</p> <p>21 indistinguishable from one another. 01:40:58</p> <p>22 MS. MILLER: Okay. I want to 02:41:01</p> <p>23 look -- I'm going to mark as Exhibit 25 01:41:34</p> <p>24 tab 1202, please. 01:41:30</p> <p>25</p>
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<p>1 unable to distinguish transfers whose source of 01:37:52</p> <p>2 revenue is these transfers in or were not -- or 01:37:55</p> <p>3 other transfers into Account 0704. 01:37:56</p> <p>4 Q. Okay. But the rum tax revenues 01:38:03</p> <p>5 are comingled into the 006 account, right? And 01:38:05</p> <p>6 you just explained, I think quite well, how you 01:38:09</p> <p>7 were able to identify and distinguish them from 01:38:13</p> <p>8 all the other money in the 006 account as being 01:38:15</p> <p>9 transferred into the 1891 account, right? 01:38:17</p> <p>10 A. Would you mind repeating that? 01:38:31</p> <p>11 Q. Yeah. The rum taxes flowed into 01:38:41</p> <p>12 the 006 account, which itself is a comingled 01:38:48</p> <p>13 account, correct? 01:38:52</p> <p>14 A. Correct. 01:38:54</p> <p>15 Q. But you were able to distinguish 01:38:54</p> <p>16 the rum tax revenues that flowed from the 01:38:58</p> <p>17 comingled account into the GDB 1891 account, 01:39:02</p> <p>18 right? 01:39:06</p> <p>19 A. We were able to determine that the 01:39:10</p> <p>20 source of funds of that transfer from 0006 to 01:39:12</p> <p>21 1891 was rum tax revenues. 01:39:18</p> <p>22 Q. Okay. So the fact that the moneys 01:39:19</p> <p>23 were in a comingled account didn't preclude you 01:39:21</p> <p>24 from identifying, as they flowed out, what the 01:39:26</p> <p>25 source of those revenues were, correct? 01:39:29</p>	<p>1 (Monolines Exhibit 25 is 01:41:30</p> <p>2 introduced for the record.) 01:41:30</p> <p>3 BY MS. MILLER: 01:41:30</p> <p>4 Q. Okay. Mr. Ahlberg, you have in 01:42:10</p> <p>5 front of you a document that was marked 01:42:12</p> <p>6 Monolines Exhibit 25. Do you see that? 01:42:13</p> <p>7 A. I see the document, yes. 01:42:16</p> <p>8 Q. Is this a document that you've 01:42:19</p> <p>9 seen before? 01:42:25</p> <p>10 A. Do you have a certified 01:42:36</p> <p>11 translation of this document? 01:42:36</p> <p>12 Q. I do. Do you need an English 01:42:38</p> <p>13 translation to tell me whether you've seen it 01:42:42</p> <p>14 before? You probably haven't seen the English 01:42:45</p> <p>15 translation before. 01:42:47</p> <p>16 MS. MILLER: I think -- Kevin, I 01:42:55</p> <p>17 think the English translation is 1202A, if you 01:42:59</p> <p>18 want to load that, and maybe we can merge them 01:43:02</p> <p>19 into a combined exhibit. 01:43:09</p> <p>20 Does anyone have an objection if 01:43:07</p> <p>21 we mark this as 1202A and then we merge it into 01:43:10</p> <p>22 a combined exhibit at the end of the deposition 01:43:13</p> <p>23 so we don't have two exhibits? 01:43:17</p> <p>24 MS. McKEEN: I don't have an 01:43:20</p> <p>25 objection to that. I think for Exhibit 25, it 01:43:26</p>

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1	would certainly be helpful for the record if	01:43:25	1	then if you turn to the third page of	01:46:08
2	that exhibit, plus the original certified	01:43:28	2	Exhibit 25. Okay. So it has the information	01:46:11
3	translation is one exhibit. I think that's how	01:43:33	3	and it identifies an account number. Do you	01:46:18
4	we did prior deposition exhibits.	01:43:34	4	see that?	01:46:20
5	MS. MILLER: Okay. Perfect.	01:43:36	5	A. Yes.	01:46:20
6	BY MS. MILLER:	01:43:37	6	Q. And you see the account is the	01:46:26
7	Q. Okay. So, Mr. Ahlberg, you now	01:43:39	7	1891 account; is that right?	01:46:27
8	have in front of you Exhibit 25, what's now	01:43:42	8	A. Yes.	01:46:33
9	being marked as 25A, but I'm just going to	01:43:44	9	Q. And if we could just go back one	01:46:35
10	refer to it as Exhibit 25 because we are going	01:43:47	10	page, it indicates there's a depositor agency	01:46:38
11	to merge them after the deposition, and this is	01:43:50	11	listed. Do you see that?	01:46:40
12	the certified English translation of the	01:43:52	12	A. Yes, I see that.	01:46:51
13	account opening document.	01:43:55	13	Q. And what deposit -- what is the	01:46:52
14	A. Okay. Thanks.	01:44:02	14	depositor agency?	01:46:58
15	MS. MILLER: Okay. All right. My	01:44:07	15	A. It says on this document that the	01:46:59
16	team is telling me that my binder has some	01:44:08	16	depositor agency is the Banco Gubernamental de	01:47:01
17	stuff earlier, that they're already merged in	01:44:11	17	Fomento para PR.	01:47:08
18	the system, so it's all Exhibit 25, and the	01:44:14	18	Q. Okay. And if you go to the next	01:47:08
19	back pages are the certified English	01:44:18	19	page in the exhibit, it identifies the customer	01:47:10
20	translation. So you can go back and forth as	01:44:20	20	name. Do you see that?	01:47:15
21	necessary.	01:44:23	21	A. Under Customer Name I see Banco	01:47:16
22	BY MS. MILLER:	01:44:23	22	Gubernamental de Fomento para PR.	01:47:29
23	Q. So, Mr. Ahlberg, now that you have	01:44:24	23	Q. Okay. And then if we could just	01:47:29
24	the English in front of you, can you tell me	01:44:25	24	look at the next -- or sorry -- two pages out,	01:47:34
25	whether this is a document that you've seen	01:44:28	25	the 4741, this is an e-mail chain dated -- I	01:47:38
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1	before?	01:44:29	1	guess it runs from November 18, 2009, through	01:47:51
2	A. I have not reviewed this specific	01:44:36	2	November 20th, 2009. Do you see that?	01:47:54
3	document before.	01:44:37	3	A. Yes.	01:48:02
4	Q. Okay. Have you seen other	01:44:41	4	Q. And are you familiar with any of	01:48:03
5	documents like this before?	01:44:45	5	the people who are involved in this e-mail	01:48:07
6	A. I have seen other agreements for	01:44:49	6	chain?	01:48:10
7	opening of bank accounts.	01:44:51	7	A. I'm not familiar with any of the	01:48:23
8	Q. Okay. Hold on a second. Hold on	01:44:54	8	individuals whose names are on this e-mail	01:48:25
9	a second. I lost it. I'll see if it comes	01:44:57	9	chain.	01:48:27
10	back up again.	01:44:57	10	Q. Okay. But you see they're all	01:48:57
11	Okay. So I want you just to look	01:45:12	11	identified as being at the GDB?	01:48:59
12	at the document. Do you see at the top it	01:45:15	12	A. That's what it says here.	01:49:06
13	indicates -- excuse me -- it indicates the	01:45:17	13	Q. Okay. And if you look at the top	01:49:08
14	agency?	01:45:19	14	e-mail in the chain as the most recent -- or	01:49:40
15	A. I see that under Agency it says:	01:45:33	15	sorry -- the second e-mail down on the page,	01:49:44
16	Banco Gubernamental de Fomento para PR.	01:45:39	16	the one with the time stamp November 19, 2009,	01:49:46
17	Q. Okay. And do you see the name of	01:45:39	17	at 9:10 a.m., do you see that?	01:49:50
18	this bank account, that the purpose of the	01:45:40	18	A. Yes.	01:49:56
19	account is AFI bond debt service? Do you see	01:45:44	19	Q. And there's a question that says:	01:49:56
20	that?	01:45:49	20	Hi, Arnaldo, can you please	01:49:59
21	A. I see that.	01:45:49	21	provide me with the title of Mr. Rivera and	01:49:00
22	Q. And you understand AFI to be the	01:45:49	22	Mr. Garcia? I would also like to know if the	01:49:03
23	Spanish acronym for PRIFA?	01:45:50	23	account is in the name of ASI or of the bank.	01:49:07
24	A. Yes.	01:45:54	24	Do you see that?	01:49:10
25	Q. Okay. And this account -- and	01:46:06	25	A. Yes, I see that.	01:49:10

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1	Q. And do you see the response?	01:49:12	1	Okay. And when you said PRIFA's	01:52:09
2	A. Yes, I see the response.	01:49:20	2	name would be on it, do you mean as an account	01:52:10
3	Q. Okay. And can you just read the	01:49:21	3	holder?	01:52:12
4	second line of the response?	01:49:24	4	And you said:	01:52:13
5	A. Is it okay if I read the whole	01:49:29	5	Yes.	01:52:14
6	response?	01:49:37	6	Do you recall me asking those	01:52:16
7	Q. Yeah, you can read the whole	01:49:39	7	questions and you giving those answers?	01:52:19
8	thing. I just meant aloud.	01:49:43	8	A. Yes.	01:52:23
9	A. Gabriel Rivera is the director of	01:49:46	9	Q. I'm asking you what the basis is	01:52:26
10	public financing and Jesus Garcia is the	01:49:50	10	for your testimony that PRIFA is an account	01:52:31
11	Assistant Director of Public Financing. In the	01:49:53	11	holder of the 1891 account.	01:52:36
12	name of the bank, But referencing the AFI Debt	01:49:56	12	A. I remember answering your	01:52:40
13	Service.	01:49:57	13	question, original question in that way, and	01:52:42
14	Q. Okay. And just looking back at	01:49:59	14	what I meant is that I knew that PRIFA's name	01:52:44
15	the Flow of Funds which is Exhibit 24, from	01:50:04	15	was on the bank statements. I'm just -- I'm	01:52:49
16	January 2014 to January 2015 -- sorry -- to	01:50:09	16	not an attorney. I'm not certain if account	01:52:52
17	June 2015, do you see the 1891 account on this	01:50:10	17	holder or not holder is a legal term that has	01:52:58
18	exhibit?	01:50:18	18	an implication I'm not aware of.	01:52:59
19	A. Yes, I see the account 1891.	01:50:20	19	Q. I'm not talking about a legal	01:53:02
20	Q. Okay. And you testified	01:50:23	20	term. I'm just asking you whether it is a	01:53:09
21	previously that blue meant that it was in	01:50:31	21	PRIFA account or not a PRIFA account.	01:53:11
22	PRIFA's name; is that right?	01:50:34	22	A. And my answer would be that	01:53:15
23	A. Yeah, I referenced that PRIFA's	01:50:40	23	PRIFA's name is on the bank statement.	01:53:17
24	name would be on the bank statement.	01:50:44	24	Q. So you don't know if it's a PRIFA	
25	Q. Okay. And what's the basis for	01:50:46	25	account or not?	

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1	your position that the 1891 account was held in	01:50:52	1	MS. McKEEN: Objection.	01:53:18
2	PRIFA's name?	01:50:55	2	THE WITNESS: I know PRIFA's name	01:53:23
3	A. I didn't say it was held in	01:50:59	3	is on the bank statement.	01:53:24
4	PRIFA's name. I just mentioned that PRIFA's --	01:51:01	4	MS. MILLER: Can I ask someone	01:53:36
5	PRIFA's name would be on the bank statements.	01:51:04	5	from my team to pull up a bank statement for	01:53:39
6	Q. Okay. So I think you said that,	01:51:08	6	the 1891 account so Mr. Ahlberg can show us	01:53:42
7	and then I specifically asked you -- and we can	01:51:12	7	where PRIFA's name is on the account statement,	01:53:46
8	go back if you need to, but I specifically	01:51:14	8	please?	01:53:52
9	asked if by that you meant that PRIFA was the	01:51:16	9	BY MS. MILLER:	01:53:52
10	account holder. Do you recall that?	01:51:20	10	Q. This might take a minute,	01:53:55
11	A. I do recall you asking me that	01:51:30	11	Mr. Ahlberg. I apologize.	01:53:56
12	question.	01:51:31	12	A. No problem.	01:54:00
13	Q. Okay. And you said yes. Do you	01:51:33	13	Q. While you're waiting or while	01:54:27
14	recall giving me that answer?	01:51:35	14	we're waiting, based on Exhibit 25 that we just	01:54:30
15	A. Yes, I do remember giving that	01:51:36	15	looked at, would you agree with me that the GDB	01:54:32
16	answer. I meant to answer in the context of	01:51:43	16	is the account holder of the 1891 account?	01:54:35
17	meaning that PRIFA's name would be on their	01:51:49	17	A. You asked me to confirm if GDB is	01:54:58
18	bank statement.	01:51:51	18	the account holder of this account?	01:55:01
19	Q. Well, I said:	01:51:55	19	Q. I'm asking you whether, based on	01:55:04
20	What does the blue box indicate?	01:51:58	20	Monolines Exhibit 25, which we could put that	01:55:06
21	And you said:	01:52:00	21	one back up, you would agree with me that the	01:55:13
22	In the case of the blue box, it	01:52:02	22	GDB is actually the account holder of the 1891	01:55:16
23	would indicate that PRIFA's name would be on	01:52:03	23	account?	01:55:19
24	the bank account statement of those accounts.	01:52:05	24	A. I don't know if there's a specific	01:55:30
25	And I said:	01:52:07	25	way you're using "account holder." I'm just --	01:55:32

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1	not being an attorney, I'm uncertain of the	01:55:36	1	Q. Okay. So what criteria did you	01:56:09
2	implications of that phrase "account holder."	01:55:39	2	apply to the GDB 1891 account that resulted in	01:56:11
3	Q. Do you own a bank account,	01:55:43	3	you designating it as a blue box?	01:56:14
4	Mr. Ahlberg?	01:55:44	4	A. In color coding as a general	01:56:25
5	A. I do have bank accounts.	01:55:45	5	association and to help the reader interpret	01:56:29
6	Q. Okay. Do you understand what it	01:55:47	6	this presentation, but understanding that	01:56:31
7	means when someone asks you if you're the	01:55:49	7	PRIFA's name was on the bank statement, I	01:56:33
8	account holder of a certain account?	01:55:55	8	thought it was appropriate to make that box	01:56:38
9	A. Generally, I would understand if	01:56:01	9	blue.	01:56:41
10	someone asked me that question.	01:56:03	10	(Monolines Exhibit 26 is	01:56:41
11	Q. Okay. Do you have any joint bank	01:56:07	11	introduced for the record.)	01:56:41
12	accounts?	01:56:14	12	BY MS. MILLER:	01:56:42
13	A. No.	01:56:14	13	Q. Okay. So now we are looking at a	01:56:47
14	Q. How do you understand that	01:56:19	14	bank statement that's been marked Monolines	01:56:45
15	generally when someone -- if someone were to	01:56:21	15	Exhibit 26, and when you say that PRIFA's name	01:56:46
16	ask you that?	01:56:25	16	was on the bank statement, do you mean that	01:56:53
17	UNIDENTIFIED SPEAKER: Object to	01:56:26	17	PRIFA's name is indicated in the account name?	01:56:55
18	form.	01:56:26	18	A. PRIFA in this exact bank statement	01:56:58
19	THE WITNESS: If someone were to	01:56:26	19	example that we're looking at, that is correct,	01:56:59
20	ask me what? Would you mind repeating the	01:56:29	20	that PRIFA's listed in the account name under	01:57:11
21	question?	01:56:29	21	the Spanish acronym AFL.	01:57:16
22	BY MS. MILLER:	01:56:31	22	Q. You don't see PRIFA's name	01:57:16
23	Q. If someone were to ask you if you	01:56:31	23	anywhere else, do you?	01:57:20
24	were the account holder of a particular bank	01:56:33	24	Well, sorry. You don't see	01:57:21
25	account.	01:56:35	25	PRIFA's name as an account holder, right?	01:57:23

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1	A. In the context of my own personal	01:56:41	1	A. I don't see the phrase "account	01:59:39
2	finances, I would think that would mean that	01:56:49	2	holder" listed anywhere on this page.	01:59:43
3	it's an account that -- that I have the ability	01:56:46	3	Q. Okay. And you do see that the	01:59:46
4	to withdraw funds from or deposit funds into.	01:56:51	4	account statements are being directed to	01:59:48
5	THE REPORTER: I'm sorry. Excuse	01:57:11	5	Mr. Gabriel Rivera, the director of public	01:59:50
6	me one moment. I'm sorry.	01:57:11	6	finance at the GDB, right?	01:59:53
7	I just wanted to ask, Ms. McKeen,	01:57:11	7	A. I do see that.	02:00:04
8	would you mind moving the phone closer to you?	01:57:13	8	Q. Okay. And did you do anything	02:00:05
9	You're very faint with your objections. Sorry.	01:57:15	9	other than noting that PRIFA's name was	02:00:06
10	Go ahead.	01:57:17	10	mentioned somewhere on that account statement	02:00:12
11	MS. McKEEN: (Indiscernible) I	01:57:17	11	to identify whether or not the account was	02:00:13
12	haven't objected in several questions. So I'm	01:57:19	12	actually a PRIFA account?	02:00:16
13	not sure if you heard any. That wasn't me. I	01:57:20	13	A. Can you repeat the question,	02:00:19
14	didn't hear an opposing objection. Can you	01:57:25	14	please?	02:00:21
15	hear me now?	01:57:31	15	Q. Yeah. Did you do anything other	02:00:32
16	THE REPORTER: I can. Thank you.	01:57:32	16	than noting that PRIFA's name was mentioned	02:00:33
17	MS. McKEEN: Thank you.	01:57:33	17	somewhere on the account statement to identify	02:00:36
18	BY MS. MILLER:	01:57:33	18	whether or not the account was actually a PRIFA	02:00:39
19	Q. Is that the same understanding	01:57:44	19	account?	02:00:41
20	that you used in determining whether or not to	01:57:46	20	A. No, no.	02:00:54
21	designate a box blue or not?	01:57:49	21	Q. Okay. I want to go back to	02:00:55
22	A. Did not apply the same -- same	01:57:53	22	Exhibit 24, please.	02:00:58
23	exact criteria that I just referenced in my own	01:58:04	23	Am I understanding this chart	02:01:16
24	personal finances to the Flow of Funds	01:58:07	24	correctly that between the January 2014 and	02:01:18
25	presentation.	01:58:09	25	June 2015 period, the only account that had the	02:01:23

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<p>370</p> <p>1 full 117 million of rum excise taxes was the 02:01:26 2 GDB 006 account? 02:01:32 3 A I missed the last part of your 02:01:40 4 question, sorry. Could you repeat it? 02:01:42 5 Q. Okay. Am I correct that according 02:01:44 6 to this chart, from the January '14 to 02:01:46 7 June 2015 period, the only bank account that 02:01:50 8 held the full \$117 million rum excise taxes was 02:01:54 9 the GDB 006 account? 02:01:58 10 Sorry, let me -- let me restate 02:02:04 11 that because I misspoke in the question. Let 02:02:06 12 me ask it again. 02:02:08 13 Am I correct that according to 02:02:09 14 this chart, from January '14 to June 2015, the 02:02:11 15 only bank account that held the first 02:02:17 16 \$117 million in full was the GDB 006 account? 02:02:20 17 A I can't say that there was any one 02:02:27 18 given time where the 117 million was 02:02:41 19 identifiable as a separate cash balance within 02:02:48 20 the operating account 0006. 02:02:51 21 Q. Okay. That's a fair point. Let 02:02:55 22 me restate it. 02:03:01 23 Is it true that in the 02:03:02 24 January 2014 to June 2015 period, the only 02:03:04 25 account that the full first \$117 million of rum 02:03:08</p>	<p>372</p> <p>1 Remesa for rum taxes during this time, which is 02:03:57 2 stamped August 2014. This is probably fiscal 02:04:03 3 year 2014. 02:04:09 4 Q. Okay. 02:04:11 5 A. Or fiscal year 2015. 02:04:13 6 Q. And are these among the documents 02:04:15 7 or the type of documents that you reviewed in 02:04:17 8 preparing the Flow of Funds that we discussed 02:04:20 9 earlier? 02:04:23 10 A. Yes, this type of document would 02:04:25 11 be included in that review. 02:04:27 12 Q. Okay. And you see here there's a 02:04:32 13 designation Fondo, and it says 111. Do you see 02:04:37 14 that? 02:04:39 15 A. Yes. 02:04:40 16 Q. And do you know what Fund 111 is? 02:04:46 17 A. Fund 111 is one of the fund 02:04:49 18 numbers used to identify General Fund. 02:04:51 19 Q. Okay. And then to the left of 02:04:53 20 that it says Cuenta R4220. Do you see that? 02:04:58 21 A. Yes. 02:05:00 22 Q. And is that the revenue account 02:05:05 23 within the General Fund that's used for rum 02:05:07 24 excise taxes that we discussed earlier? 02:05:09 25 A. That's the revenue account used 02:05:16</p>
<p>371</p> <p>1 excise taxes flowed through was the GDB 006 02:03:11 2 account? 02:03:16 3 A. Yes. 02:03:24 4 Q. Thank you for that clarification. 02:03:26 5 Okay. So I'd like to now mark as 02:03:36 6 Exhibit 26 tab 1301. 02:03:43 7 MS. MILLER: Actually, Kevin, 02:04:08 8 before we go there, can I just -- can we mark 02:04:09 9 quickly tab 1203? 02:04:13 10 (Monolines Exhibit 27 is 02:04:13 11 introduced for the record.) 02:04:13 12 BY MS. MILLER: 02:04:13 13 Q. Okay. So we have marked as 02:04:54 14 Monolines Exhibit 27 -- we'll come back to 02:04:56 15 26 -- a document. Is this a document that you 02:04:58 16 recognize? 02:05:04 17 A. Yes. 02:05:29 18 Q. Okay. And what is this document? 02:05:29 19 A. I would like to clarify that I 02:05:30 20 recognize this type of document. I can't 02:05:32 21 recall specifically reviewing this exact 02:05:36 22 document. 02:05:37 23 Q. Fair enough. 02:05:38 24 And what is this type of document? 02:05:38 25 A. This document is a Comprobante de 02:05:52</p>	<p>373</p> <p>1 within the PRIFA system to record the revenues 02:07:13 2 of rum taxes. 02:07:17 3 Q. Okay. Do you know whether that's 02:07:18 4 used to record all of the revenues of rum taxes 02:07:20 5 or just the first 117 million of rum taxes? 02:07:22 6 Let me break it out. 02:07:28 7 Is that revenue account number 02:07:30 8 used to record all of the revenues of rum 02:07:31 9 taxes? 02:07:36 10 A. I'm not positive. I would have to 02:07:49 11 double-check on that and get back to you. 02:07:54 12 Q. Okay. How would you go about 02:07:56 13 double-checking? 02:07:59 14 A. I would just have to look at the 02:08:13 15 voucher maybe similar to this one that -- whose 02:08:20 16 amount, which, you know, ended up meaning 02:08:26 17 specifically your total exceeded 117 million 02:08:31 18 and they were still using account code 4220, 02:08:34 19 that would indicate to me that they were using 02:08:37 20 Account 4220 for rum proceed revenues, the 02:08:40 21 first 117, as well as the excise. 02:08:44 22 Q. And if you ran the report that we 02:08:58 23 discussed earlier from the PRIFA system on 02:09:02 24 Revenue Account 4220, you would be able to tell 02:09:06 25 that based on the report, correct? 02:09:08</p>

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<p>1 A. Correct. 02:09:04</p> <p>2 Q. You didn't run that report, right? 02:09:06</p> <p>3 A. No, I have not run that report. 02:09:10</p> <p>4 Q. Okay. And how long do you think 02:09:12</p> <p>5 it would take to run that report for a single 02:09:16</p> <p>6 fiscal year? 02:09:19</p> <p>7 A. I don't know specifically how long 02:09:24</p> <p>8 the system would take to process that, but I 02:09:26</p> <p>9 imagine it would be accomplishable within 02:09:28</p> <p>10 one day. 02:09:31</p> <p>11 Q. And when you say "accomplishable 02:09:35</p> <p>12 within one day," you just mean processing time? 02:09:36</p> <p>13 A. Right. I can't speculate on time 02:09:40</p> <p>14 to quality control review data that the system 02:09:45</p> <p>15 would potentially output. 02:09:46</p> <p>16 Q. How long would it take to come up 02:09:49</p> <p>17 with a query? 02:09:51</p> <p>18 A. Query -- query -- I mean, I guess 02:10:00</p> <p>19 I could tell you what the query is now. You 02:10:07</p> <p>20 would need time to determine what the 02:10:09</p> <p>21 parameters of the query would be. 02:10:11</p> <p>22 Q. Do you know whether moneys other 02:10:24</p> <p>23 than the first 117 million of rum -- sorry, 02:10:27</p> <p>24 strike that. Let me start over. 02:10:32</p> <p>25 Do you know whether rum excise 02:10:34</p>	<p>1 flow into a Fund other than the General Fund? 02:12:13</p> <p>2 UNIDENTIFIED SPEAKER: Objection. 02:12:20</p> <p>3 THE WITNESS: I disagree with the 02:12:20</p> <p>4 characterization of funds flowing into any 02:12:23</p> <p>5 Fund. 02:12:25</p> <p>6 BY MS. MILLER: 02:12:25</p> <p>7 Q. Okay. So you disagree with the 02:12:26</p> <p>8 funds being allocated. All right. 02:12:28</p> <p>9 So you don't know whether they're 02:12:36</p> <p>10 allocated to a Fund other than the General 02:12:50</p> <p>11 Fund? 02:13:44</p> <p>12 A. The first 117 million are recorded 02:12:44</p> <p>13 with the General Fund fund number. 02:12:47</p> <p>14 Q. Do you know whether moneys beyond 02:13:52</p> <p>15 the first 117 million are recorded with a Fund 02:13:54</p> <p>16 number that is not the General Fund? 02:13:58</p> <p>17 A. I don't know for certain since we 02:13:59</p> <p>18 didn't look at the funds outside the 117 for 02:13:59</p> <p>19 purposes of the Flow of Funds presentation. 02:13:59</p> <p>20 That would certainly be something we could 02:13:10</p> <p>21 follow up on and get back to you. 02:13:13</p> <p>22 Q. Okay. Do you think they might be? 02:13:15</p> <p>23 MS. McKEEN: Objection. 02:13:31</p> <p>24 THE WITNESS: I can't speculate 02:13:33</p> <p>25 one way or the other. 02:13:44</p>
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<p>1 taxes beyond the first 117 million of rum 02:10:36</p> <p>2 excise taxes are deposited into the General 02:10:40</p> <p>3 Fund? 02:10:40</p> <p>4 UNIDENTIFIED SPEAKER: Objection. 02:10:40</p> <p>5 THE REPORTER: I'm sorry, did 02:10:40</p> <p>6 somebody -- I'm sorry? 02:10:40</p> <p>7 THE WITNESS: (Indiscernible) 02:10:52</p> <p>8 deposited into the General Fund. 02:10:53</p> <p>9 BY MS. MILLER: 02:10:54</p> <p>10 Q. Okay. Do you know whether the 02:10:54</p> <p>11 R4220 account is used in connection with other 02:10:57</p> <p>12 Funds as well? 02:11:01</p> <p>13 Sorry, just -- just to be clear, 02:11:21</p> <p>14 when I said Funds, I meant capital F Fund, the 02:11:25</p> <p>15 Fund of the Special Fund other than the 02:11:26</p> <p>16 general. 02:11:34</p> <p>17 UNIDENTIFIED SPEAKER: Objection. 02:11:36</p> <p>18 THE WITNESS: I know the first 02:11:38</p> <p>19 117 million would use the General Fund 02:11:39</p> <p>20 identifier there. We -- we did not look at 02:11:42</p> <p>21 the, you know, the revenues outside the first 02:12:00</p> <p>22 117 for purposes of the Flow of Funds 02:12:03</p> <p>23 accreditation. 02:12:07</p> <p>24 BY MS. MILLER: 02:12:07</p> <p>25 Q. So you don't know whether they 02:12:11</p>	<p>1 (Monolines Exhibit 28 is 02:13:24</p> <p>2 introduced for the record.) 02:13:24</p> <p>3 MS. MILLER: Okay. I want to go 02:13:47</p> <p>4 to Exhibit 26 now, please, Kevin. 02:13:50</p> <p>5 BY MS. MILLER: 02:13:58</p> <p>6 Q. Mr. Ahlberg, did you review the 02:13:51</p> <p>7 lockbox agreement in connection with your 02:14:23</p> <p>8 preparation for your deposition today? 02:14:27</p> <p>9 A. I did not review the lockbox 02:14:28</p> <p>10 agreement in preparation for this deposition, 02:14:30</p> <p>11 but I am familiar with the lockbox agreement 02:14:33</p> <p>12 based on my ordinary business and work with the 02:14:39</p> <p>13 Commonwealth. 02:14:39</p> <p>14 Q. Okay. And in what context have 02:14:39</p> <p>15 you encountered the lockbox agreement in the 02:14:45</p> <p>16 course of your ordinary work? 02:14:49</p> <p>17 A. Beyond the first 117 million that 02:14:59</p> <p>18 we have been discussing together, there's a rum 02:15:00</p> <p>19 tax waterfall that proceeds after that, and I 02:15:03</p> <p>20 have reviewed actual cash flows with -- actual 02:15:09</p> <p>21 cash flows in the rum tax waterfall after the 02:15:19</p> <p>22 first 117 million in my normal course of 02:15:22</p> <p>23 business with the Commonwealth. 02:15:26</p> <p>24 Q. And in the course of that, have 02:15:41</p> <p>25 you looked at the actual document? 02:15:43</p>

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<p>1 A. Somewhere along the lines in the 02:15:51</p> <p>2 past two and a half years, I have seen the 02:15:54</p> <p>3 actual lockbox agreement. 02:15:57</p> <p>4 Q. Okay. Do you understand that 02:16:01</p> <p>5 under the lockbox agreement -- which, 02:16:16</p> <p>6 apologies, is being pulled off, I created 02:16:18</p> <p>7 confusion, apparently. We already used 02:16:20</p> <p>8 Exhibit 26. So this will be Exhibit 27 -- that 02:16:24</p> <p>9 there are multiple transfers that -- let me 02:16:34</p> <p>10 ask. 02:16:39</p> <p>11 Here's the lockbox agreement. Is 02:16:40</p> <p>12 this the agreement that we were just talking 02:16:42</p> <p>13 about? 02:16:43</p> <p>14 A. Yes. 02:16:58</p> <p>15 Q. Okay. So the record is clear, 02:16:59</p> <p>16 because we have now said it wrong three times, 02:17:06</p> <p>17 Monolines Exhibit 28 is the lockbox agreement 02:17:09</p> <p>18 dated May 5, 2015. Who's the lockbox trustee? 02:17:12</p> <p>19 Sorry, what does the lockbox say? 02:17:33</p> <p>20 A. Citibank. 02:17:42</p> <p>21 Q. And do you understand that under 02:17:50</p> <p>22 this agreement Citibank has to make a number of 02:17:51</p> <p>23 transfers to various entities, right? 02:17:59</p> <p>24 A. Not being an attorney, I'm not 02:18:04</p> <p>25 certain what the lockbox agreement mandates or 02:18:06</p>	<p>1 understand that the lockbox agreement sets 02:19:25</p> <p>2 forth a Flow of Funds for the rum tax revenue. 02:19:33</p> <p>3 A. Not being an attorney, I'm not 02:19:50</p> <p>4 positive that this lockbox agreement says that. 02:19:53</p> <p>5 Q. Why did you look at it in 02:19:58</p> <p>6 connection with the Flow of Funds of the rum 02:20:01</p> <p>7 taxes in the ordinary course of your business? 02:20:03</p> <p>8 A. In my ordinary course of business, 02:20:06</p> <p>9 and understanding the historical Flow of Funds 02:20:14</p> <p>10 for rum taxes, for us it meant understanding 02:20:17</p> <p>11 that transfers were -- after the lockbox 02:20:21</p> <p>12 agreements were coming directly from the 02:20:27</p> <p>13 Citibank account as opposed to being 02:20:30</p> <p>14 transferred directly from the U.S. Government. 02:20:32</p> <p>15 Q. Okay. And is that 02:20:34</p> <p>16 something -- when you said in the ordinary 02:20:37</p> <p>17 course of your business, did you mean in 02:20:39</p> <p>18 connection with preparing these Flow of Funds 02:20:42</p> <p>19 documents? 02:20:45</p> <p>20 A. No. 02:20:47</p> <p>21 Q. Okay. So in connection with your 02:20:47</p> <p>22 ordinary course of business, you have to 02:20:53</p> <p>23 understand that historical Flow of Funds 02:20:54</p> <p>24 differed from the Flow of Funds under the 02:20:59</p> <p>25 lockbox agreement? Did I understand that 02:21:01</p>
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<p>1 does not mandate. 02:18:08</p> <p>2 Q. Okay. Well, I thought you told me 02:18:09</p> <p>3 that in the ordinary course of your business, 02:18:12</p> <p>4 you have seen the lockbox agreement and 02:18:14</p> <p>5 considered it in connection with the Flow of 02:18:18</p> <p>6 Funds that it mandates. No? Did I get that 02:18:20</p> <p>7 wrong? 02:18:24</p> <p>8 UNIDENTIFIED SPEAKER: Objection. 02:18:26</p> <p>9 THE WITNESS: I'm generally 02:18:30</p> <p>10 familiar with the lockbox agreement, and in the 02:18:31</p> <p>11 context in which I would have been familiar 02:18:36</p> <p>12 with it was in monitoring cash flow activity 02:18:37</p> <p>13 with respect to rum tax. 02:18:42</p> <p>14 BY MS. MILLER: 02:18:44</p> <p>15 Q. Okay. And so you understand that 02:18:45</p> <p>16 the lockbox agreement outlines period cash 02:18:46</p> <p>17 flows or the flow of various revenues, right? 02:18:51</p> <p>18 MS. McKEEN: Objection. 02:19:09</p> <p>19 THE WITNESS: I understand it's -- 02:19:11</p> <p>20 the Flow of Funds is different before and after 02:19:12</p> <p>21 the lockbox agreement is operational. 02:19:17</p> <p>22 BY MS. MILLER: 02:19:20</p> <p>23 Q. Okay. I have not asked anything 02:19:20</p> <p>24 about that. 02:19:22</p> <p>25 I'm just asking you whether you 02:19:25</p>	<p>1 right? 02:21:04</p> <p>2 MS. McKEEN: Objection. 02:21:09</p> <p>3 THE WITNESS: From a normal course 02:21:14</p> <p>4 of business, I understood the lockbox agreement 02:21:16</p> <p>5 changed the Flow of Funds. 02:21:19</p> <p>6 BY MS. MILLER: 02:21:19</p> <p>7 Q. Okay. Do you understand how it 02:21:20</p> <p>8 changed the Flow of Funds? 02:21:23</p> <p>9 A. Yes. The funds are -- rum taxes 02:21:31</p> <p>10 are -- first went to Citibank prior to transfer 02:21:35</p> <p>11 to the TSA, as opposed to coming directly from 02:21:40</p> <p>12 the U.S. Government. 02:21:43</p> <p>13 Q. Okay. And then, after the first 02:21:44</p> <p>14 117 -- well, look at page 4 of the lockbox 02:21:52</p> <p>15 agreement. 02:21:55</p> <p>16 And is this specifically a page 02:21:57</p> <p>17 that you've seen before? And I'm going to 02:21:59</p> <p>18 direct you to Section 5, which is the 02:22:00</p> <p>19 Disposition of Cover Over Payments in the 02:22:03</p> <p>20 account. Do you see that? 02:22:04</p> <p>21 A. I see that fifth section there. 02:22:05</p> <p>22 Q. Okay. And did you look at this 02:22:16</p> <p>23 fifth section in the ordinary course of 02:22:18</p> <p>24 business before preparing the PRIFA Flow of 02:22:26</p> <p>25 Funds for this deposition? 02:22:29</p>

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1	A.	I don't recall specifically	02:12:33	1	MS. McKEEN: Objection.	02:25:11	
2		reviewing this exact section of the document.	02:12:34	2	BY MS. MILLER:	02:25:11	
3	Q.	Okay. Do you have an	02:12:40	3	Q.	-- under the lockbox agreement?	02:25:13
4		understanding of how the moneys beyond the	02:12:40	4		MS. McKEEN: Objection.	02:25:21
5		first 117 million flow?	02:12:43	5		THE WITNESS: I believe that it	02:25:28
6	A.	I have a general understanding.	02:12:52	6	says:		02:25:28
7	Q.	Okay. What's your general	02:12:57	7		Second, to the Secretary of	02:25:29
8		understanding?	02:13:01	8		Treasury for deposit to the credit of the S&T	02:25:32
9	A.	My general understanding is that	02:13:01	9		Trust, which I understand is the Science and	02:25:35
10		after the first 117 million, that there	02:13:05	10		Technology Trust.	02:25:36
11		are -- there's a waterfall for the remaining --	02:13:12	11	BY MS. MILLER:		02:25:39
12		remaining distribution of funds.	02:13:19	12	Q.	Okay. And what about third?	02:25:39
13	Q.	Okay. And do you know who gets	02:13:21	13	A.	The document says:	02:25:44
14		the second payment in the waterfall?	02:13:22	14		Third, to the Secretary of	02:25:46
15	A.	I can't recall off the top of my	02:13:26	15		Treasury, the remaining amount of Non-Rum COR	02:25:50
16		head who gets the second payment in the	02:13:29	16		included in such Cover Over Payment.	02:25:56
17		waterfall.	02:13:32	17	Q.	Okay. And then what about 4?	02:26:11
18	Q.	Well, good news. You don't have	02:13:32	18	A.	The document says:	02:26:14
19		to recall off the top of your head. If you	02:13:34	19		Fourth, to the Secretary of	02:26:21
20		look at Section 5(b), it says "Second."	02:13:36	20		Treasury, the remaining amount of other rum	02:26:22
21		So you can just read it and then	02:13:36	21		Cover Over or COR included in such Cover Over	02:26:25
22		tell me if that refreshes your recollection of	02:13:39	22		Payment.	02:26:28
23		who gets the second flow in the waterfall.	02:13:46	23	Q.	Okay. Do you know whether the	02:26:29
24	A.	Counsel, could you point me to the	02:13:51	24		Commonwealth accounts for each of these buckets	02:26:32
25		section of the document you're referring to?	02:13:53	25		of rum tax revenues differently when it	02:26:36

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1	Q.	Section 5(b), as in boy.	02:14:01	1		receives them from Citi?	02:26:39
2		Actually -- sorry. Yeah, that's right.	02:14:03	2	A.	I'm not certain if there's	02:26:52
3		Section 5(b).	02:14:10	3		different accounting treatment for the rum	02:26:54
4		MS. McKEEN: Atara, when you get	02:14:11	4		revenues in excess of the first 117 million.	02:26:59
5		to a convenient stopping place, if we could	02:14:14	5	Q.	Do you know if the 5 million to	02:27:05
6		have a short break, I would appreciate it.	02:14:16	6		the credit of the S&T Trust if -- sorry -- is	02:27:08
7		MS. MILLER: Sure. Actually,	02:14:22	7		credited to the General Fund?	02:27:11
8		almost done with this. I want to go a few	02:14:23	8	A.	I'm not positive off the top of my	02:27:20
9		minutes longer, and hopefully I can wrap this	02:14:26	9		head if that is the case.	02:27:23
10		up.	02:14:29	10	Q.	What would you do to find out	02:27:26
11		MS. McKEEN: That's great. Thank	02:14:29	11		whether the transfers in (a), (b), (c) and (d)	02:27:28
12		you. Just a quick one.	02:14:30	12		of Section 5 of Exhibit 28 are accounted for	02:27:34
13		MS. MILLER: Okay.	02:14:31	13		differently on the internal accounting records	02:27:38
14	BY MS. MILLER:		02:14:38	14		of the Commonwealth?	02:27:44
15	Q.	Mr. Ahlberg, does Section 5(b)	02:14:39	15	A.	Apologies, I'm just thinking here.	02:28:07
16		refresh your recollection as to who gets the	02:14:41	16		Would you mind repeating the question?	02:28:10
17		second distribution of rum taxes after the	02:14:43	17	Q.	Yeah. My question is:	02:28:11
18		first 117 million?	02:14:46	18		What would you do to determine	02:28:13
19	A.	That refreshes my recollection of	02:14:53	19		whether the transfers in Section 5(a), (b), (c)	02:28:14
20		what this lockbox agreement says. I can't say	02:14:55	20		and (d) of Exhibit 28 are accounted for	02:28:18
21		for certain that -- off the top of my head that	02:14:59	21		differently on the internal accounting records	02:28:22
22		this is how the cash flow on activity follows.	02:15:03	22		of the Commonwealth?	02:28:24
23	Q.	Okay. Who's supposed to get the	02:15:06	23	A.	I would -- first, I would discuss	02:28:43
24		next 5 million --	02:15:09	24		with -- with Treasury and review the transfers	02:28:45
25				25		into -- review the, you know, transfers letters	02:28:53

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1	or vouchers that show transfer into the TSA.	02:28:58	1	BY MS. MILLER:	02:32:28
2	Q. Do you know whether when Citi	02:29:03	2	Q. Okay. Just, for example, (a) and	02:32:28
3	makes transfers under this lockbox agreement it	02:29:07	3	(b), it would have been more simple to just	02:32:30
4	specifically identifies whether the	02:29:10	4	make a single transfer to the Secretary of the	02:32:36
5	transfer -- sorry -- which bucket the	02:29:16	5	Treasury for 122 million, wouldn't it?	02:32:39
6	transfer -- let me start over.	02:29:19	6	MS. McKEEN: Objection.	02:32:44
7	Do you know whether Citi, when it	02:29:21	7	THE WITNESS: I can't say what	02:32:50
8	makes transfers under the lockbox agreement,	02:29:23	8	would have been easier or not.	02:32:52
9	specifically identifies which bucket the moneys	02:29:26	9	BY MS. MILLER:	02:32:54
10	fall under?	02:29:29	10	Q. Is there any reason you can think	02:32:54
11	A. Would you repeat that question,	02:29:40	11	of why in a Flow of Funds the first 117 million	02:32:56
12	please?	02:29:43	12	being transferred to the Secretary -- to the	02:33:01
13	Q. Yeah. Do you know whether Citi,	02:29:51	13	Secretary of the Treasury for the credit of	02:33:03
14	when it makes transfers under the lockbox	02:29:53	14	PRIFA was broken out from the next \$5 million	02:33:05
15	agreement, specifically identifies which bucket	02:29:56	15	that were being transferred to the Secretary of	02:33:09
16	the moneys fall under?	02:29:58	16	the Treasury for deposit to the credit of the	02:33:12
17	A. I'm not positive. I would have to	02:30:12	17	S&T Trust?	02:33:18
18	double-check on that.	02:30:23	18	MS. McKEEN: Objection.	02:33:19
19	Q. Okay. Do you know what it means	02:30:26	19	THE WITNESS: Would you please	02:33:26
20	for a deposit to be to the credit of the S&T	02:30:36	20	repeat the question?	02:33:27
21	Trust?	02:30:40	21	BY MS. MILLER:	02:33:27
22	A. I'm not sure what is intended by	02:30:48	22	Q. Is there any reason you can think	02:33:31
23	that exact phrasing there.	02:30:52	23	of for why in the Flow of Funds the first	02:33:33
24	Q. Do you know whether there is a	02:30:54	24	117 million being transferred to the Secretary	02:33:37
25	Fund that corresponds to the S&T Trust?	02:30:55	25	of Treasury for the credit of PRIFA was broken	02:33:40

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1	A. I do not know whether there is a	02:31:05	1	out from the next 5 million that were being	02:33:45
2	separate Fund number within the PRIFA system	02:31:07	2	transferred to the Secretary of Treasury for	02:33:49
3	that identifies S&T Trust money.	02:31:11	3	deposit to the credit of the S&T Trust?	02:33:53
4	Q. Would you expect the Commonwealth	02:31:18	4	MS. McKEEN: Objection.	02:33:57
5	to account differently for moneys deposited to	02:31:21	5	THE WITNESS: I can't speculate as	02:33:59
6	the credit of the S&T Trust from moneys	02:31:26	6	to why.	02:34:04
7	deposited to the credit of PRIFA?	02:31:30	7	BY MS. MILLER:	02:34:11
8	UNIDENTIFIED SPEAKER: Objection.	02:31:40	8	Q. Okay. All right. Let's -- I'm	02:34:11
9	THE WITNESS: I mean, nothing --	02:31:41	9	going to do one more quick exhibit, Liz, and	02:34:16
10	I'm not sure how S&T would account for those	02:31:45	10	then I'll take a break. It shouldn't take more	02:34:22
11	differently from one another.	02:31:49	11	than a minute.	02:34:24
12	BY MS. MILLER:	02:31:50	12	MS. MILLER: Can we mark tab 1302	02:34:26
13	Q. Okay. Do you know why the	02:31:51	13	as Exhibit 29?	02:34:28
14	Commonwealth asks Citi to separately break out	02:31:52	14	(Monolines Exhibit 29 is	02:34:28
15	amounts that were going to the Treasury for	02:31:58	15	introduced for the record.)	02:34:33
16	deposit of the credit into different entities?	02:32:02	16	BY MS. MILLER:	02:34:33
17	MS. McKEEN: Objection.	02:32:08	17	Q. Okay. Mr. Ahlberg, is this a	02:34:34
18	THE WITNESS: I do not know why	02:32:09	18	document that you've seen before or a form of	02:34:35
19	Citibank does that.	02:32:11	19	document that you've seen before?	02:34:37
20	BY MS. MILLER:	02:32:13	20	A. Yes.	02:34:38
21	Q. My question was why does the	02:32:13	21	Q. Okay. And what is it?	02:34:38
22	Commonwealth ask them to do it.	02:32:15	22	A. It is a lockbox receipt notice.	02:34:39
23	MS. McKEEN: Objection.	02:32:19	23	Q. And can we just look at the second	02:34:39
24	THE WITNESS: I don't know why the	02:32:22	24	page of this document?	02:34:37
25	Commonwealth would have asked them to do that.	02:32:24	25	Okay. Mr. Ahlberg, does this	02:34:41

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<p>1 refresh your recollection about whether Citi in 02:35:42</p> <p>2 fact breaks out into each category the amount 02:35:49</p> <p>3 of the disbursement? 02:35:54</p> <p>4 A. Yes. 02:36:01</p> <p>5 Q. Okay. And so Citi would transfer 02:36:02</p> <p>6 in the first 117 million of rum excise taxes, 02:36:06</p> <p>7 specifically identifies the recipient as the 02:36:09</p> <p>8 Secretary of Treasury for deposit to the credit 02:36:14</p> <p>9 of PRIFA, correct? 02:36:18</p> <p>10 UNIDENTIFIED SPEAKER: Note my 02:36:24</p> <p>11 objection. 02:36:25</p> <p>12 MS. MILLER: What's your 02:36:34</p> <p>13 objection? 02:36:35</p> <p>14 UNIDENTIFIED SPEAKER: You've used 02:36:37</p> <p>15 the word "identifies" in the present tense, and 02:36:38</p> <p>16 I think it's unclear as to whether you're 02:36:41</p> <p>17 asking about this specific example or a course 02:36:44</p> <p>18 of conduct across all Citi transfers. That's 02:36:48</p> <p>19 my objection. 02:36:52</p> <p>20 MS. MILLER: Okay. I appreciate 02:36:53</p> <p>21 that clarification. 02:36:54</p> <p>22 BY MS. MILLER: 02:36:54</p> <p>23 Q. Mr. Ahlberg, does this refresh 02:36:56</p> <p>24 your recollection that on August 25, 2017, Citi 02:36:58</p> <p>25 identifies the recipient of the first 02:37:03</p>	<p>1 time for a break. 02:38:27</p> <p>2 Liz, how long do you want to take? 02:39:30</p> <p>3 MS. McKEEN: 10. 02:39:33</p> <p>4 MS. MILLER: Okay. Great. 02:39:34</p> <p>5 MS. McKEEN: Thank you. 02:39:34</p> <p>6 MS. MILLER: Thank you. 02:39:36</p> <p>7 THE VIDEOGRAPHER: We are off the 02:39:37</p> <p>8 record at 2:39 p.m. 02:39:38</p> <p>9 (Recess taken.) 02:39:40</p> <p>10 THE VIDEOGRAPHER: We are back on 02:39:43</p> <p>11 the record at 2:54 p.m. 02:39:46</p> <p>12 BY MS. MILLER: 02:39:46</p> <p>13 Q. Okay. I want to go back to 02:39:49</p> <p>14 Exhibit 24, and I want to look at the next 02:39:52</p> <p>15 page, which is the Flow of Funds from July 2015 02:39:54</p> <p>16 to March 2016. Do you see that? 02:39:58</p> <p>17 A. No. 02:39:47</p> <p>18 Q. Me neither. There we go. 02:39:56</p> <p>19 Now do you see it? 02:39:59</p> <p>20 A. Yes. 02:39:59</p> <p>21 Q. Okay. And just looking at this 02:39:01</p> <p>22 chart, based on what you've already said, you 02:39:05</p> <p>23 were able to identify -- well, let me ask the 02:39:11</p> <p>24 first question. 02:39:15</p> <p>25 The first \$117 million of rum 02:39:15</p>
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<p>1 117 million as Secretary of Treasury for 02:37:04</p> <p>2 deposit to the credit of PRIFA? 02:37:08</p> <p>3 A. Yes, it does refresh my 02:37:16</p> <p>4 recollection that Citibank produces a document 02:37:17</p> <p>5 with this information. 02:37:21</p> <p>6 Q. And does it still produce that 02:37:23</p> <p>7 document today? 02:37:24</p> <p>8 A. I believe so. 02:37:31</p> <p>9 Q. And it specifically identifies the 02:37:32</p> <p>10 recipient for the first 117 million as 02:37:36</p> <p>11 Secretary of Treasury for deposit to the credit 02:37:41</p> <p>12 of PRIFA, correct? 02:37:44</p> <p>13 A. On this document, that is correct. 02:37:47</p> <p>14 Q. Do you believe that's changed in 02:37:50</p> <p>15 any subsequent documents? 02:37:52</p> <p>16 MS. McKEEN: Objection. 02:37:57</p> <p>17 THE WITNESS: Do not think so. 02:37:59</p> <p>18 BY MS. MILLER: 02:38:06</p> <p>19 Q. And that's distinct from the 02:38:06</p> <p>20 Secretary of Treasury for deposit to the credit 02:38:07</p> <p>21 of the S&T Trust, correct? 02:38:10</p> <p>22 A. Different in that it is shown 02:38:16</p> <p>23 separately on the Citibank-produced document, 02:38:18</p> <p>24 yes. 02:38:22</p> <p>25 MS. MILLER: Okay. This is a good 02:38:25</p>	<p>1 excise taxes flowed, according to this chart, 02:38:20</p> <p>2 from this U.S. Treasury to the Citibank 02:38:24</p> <p>3 account. And is that the lockbox account? 02:38:29</p> <p>4 A. Yes. 02:38:32</p> <p>5 Q. Okay. And is it your 02:38:33</p> <p>6 understanding that that is an account of the 02:38:36</p> <p>7 Secretary of the Treasury? 02:38:40</p> <p>8 A. The Citibank account? 02:38:46</p> <p>9 Q. The Citibank account, yeah. 02:38:47</p> <p>10 A. I'm not -- I'm not certain there. 02:38:57</p> <p>11 Q. Okay. Well, it's denoted in dark 02:38:59</p> <p>12 gray. What does dark gray mean? 02:39:04</p> <p>13 A. In this case, it indicates that 02:39:08</p> <p>14 it's not a Commonwealth account. 02:39:14</p> <p>15 Q. So your testimony, as the 02:39:23</p> <p>16 corporate representative of the Commonwealth, 02:39:29</p> <p>17 is that the Citibank 9028 account is not a 02:39:34</p> <p>18 Commonwealth account? 02:39:35</p> <p>19 A. I'm not certain whether that's 02:39:49</p> <p>20 called a Commonwealth account or not a 02:39:52</p> <p>21 Commonwealth account. The dark gray is meant 02:39:55</p> <p>22 to distinguish it from the TSA operational 02:39:58</p> <p>23 accounts as well as the other Commonwealth 02:40:01</p> <p>24 account 6048. 02:40:04</p> <p>25 Q. Okay. Why were you distinguishing 02:40:11</p>

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<p>394</p> <p>1 this account? 02:57:15</p> <p>2 A. I mean, it's a separate bank 02:57:27</p> <p>3 account. The dark gray is done to -- to help 02:57:29</p> <p>4 the reader know that that account is separate 02:57:32</p> <p>5 from the TSA 0006 or Account 6048. 02:57:36</p> <p>6 Q. What is Account 6048? 02:57:44</p> <p>7 A. It's a separate account at 02:57:48</p> <p>8 Treasury. 02:57:52</p> <p>9 Q. And what's it used for? 02:57:54</p> <p>10 A. It's -- I believe it's an account 02:58:00</p> <p>11 that's actually no longer used. 02:58:07</p> <p>12 Q. During the period July 2015 to 02:58:10</p> <p>13 March 2016, what was that account used for? 02:58:13</p> <p>14 A. In this case, it received a 02:59:17</p> <p>15 transfer of -- from 0006 and -- more than one 02:59:19</p> <p>16 transfer, potentially many transfers. 02:59:23</p> <p>17 Q. Okay. And the 6048 account is 02:59:31</p> <p>18 designated as a comingled account. Do you see 02:59:34</p> <p>19 that? 02:59:38</p> <p>20 A. Yes. 02:59:38</p> <p>21 Q. What other moneys are deposited 02:59:39</p> <p>22 into the 6048 account or what other 02:59:40</p> <p>23 deposit -- what other moneys were deposited 02:59:45</p> <p>24 into the 6048 account during the period 02:59:47</p> <p>25 July 2015 to March 2016? 02:59:51</p>	<p>396</p> <p>1 colloquial name of that account. 03:00:17</p> <p>2 Q. Does that ring a bell, that the 03:00:18</p> <p>3 6048 account was used during this period to 03:00:20</p> <p>4 hold clawback moneys from HTA, CCDA, and PRIFA? 03:00:23</p> <p>5 A. It certainly received transfers of 02:00:32</p> <p>6 funds that either previously or ultimately were 03:00:34</p> <p>7 used for those purposes. 03:00:39</p> <p>8 Q. What purposes do you mean when you 03:00:40</p> <p>9 say "those purposes"? 03:00:43</p> <p>10 A. In this -- in this specific case, 03:00:46</p> <p>11 being an accountant, the Flow of Funds during 03:00:54</p> <p>12 the time in which -- that service payments were 03:00:54</p> <p>13 being made. 03:01:03</p> <p>14 THE REPORTER: I'm sorry. During 03:01:09</p> <p>15 the time in which? 03:01:09</p> <p>16 BY MS. MILLER: 03:01:09</p> <p>17 Q. I didn't get any of that, so... 03:01:09</p> <p>18 A. I heard a couple people there. 03:01:15</p> <p>19 Q. I think the court reporter asked 03:01:18</p> <p>20 you to finish your answer. She didn't catch 03:01:19</p> <p>21 the end of it. 03:01:21</p> <p>22 A. Okay, sorry. Would you mind 03:01:26</p> <p>23 repeating the question? 03:01:27</p> <p>24 Q. I've lost track of it. 03:01:33</p> <p>25 MS. MILLER: Madam Court Reporter, 03:01:34</p>
<p>395</p> <p>1 A. I can't recall off the top of my 02:59:55</p> <p>2 head what other moneys were included in that 02:59:57</p> <p>3 transfer or those transfers. 02:59:59</p> <p>4 Q. Do you know whether HTA taxes were 02:59:01</p> <p>5 loaded to the 6048 account? 02:59:07</p> <p>6 A. I can't recall off the top of my 02:59:09</p> <p>7 head without looking at the HTA Flow of Funds 02:59:11</p> <p>8 presentation document. 02:59:15</p> <p>9 Q. Okay. Do you know whether CCDA 02:59:16</p> <p>10 moneys were flowed into the 6048 account during 02:59:20</p> <p>11 this period? 02:59:24</p> <p>12 A. I can't recall which moneys 02:59:30</p> <p>13 besides rum taxes off the top of my head were 02:59:32</p> <p>14 transferred to this account. 02:59:37</p> <p>15 Q. Do you have an understanding of 02:59:39</p> <p>16 why the money was flowed from the 006 account 02:59:40</p> <p>17 into the 6048 account and then back into the 02:59:43</p> <p>18 006 account? 02:59:47</p> <p>19 A. It's a function of internal cash 03:00:53</p> <p>20 management at the time of the Department of 02:59:55</p> <p>21 Treasury. 03:00:02</p> <p>22 Q. Okay. Do you know whether 03:00:02</p> <p>23 60 -- the 6048 account was designated a 03:00:04</p> <p>24 clawback revenue account? 03:00:10</p> <p>25 A. I'm not part of the -- the name or 03:00:11</p>	<p>397</p> <p>1 would you mind reading back the last question? 03:01:35</p> <p>2 (Record read as requested.)</p> <p>3 "What do you mean when you say</p> <p>4 'those purposes'?"</p> <p>5 MS. MILLER: We need to go back</p> <p>6 one more question.</p> <p>7 (Record read as requested.)</p> <p>8 Question: "Does that ring a</p> <p>9 bell, that the 6048 account</p> <p>10 was used during this period to</p> <p>11 hold clawback moneys from HTA,</p> <p>12 CCDA, and PRIFA?</p> <p>13 Answer: It certainly received</p> <p>14 transfers of funds that either</p> <p>15 previously or ultimately were</p> <p>16 used for those purposes.</p> <p>17 Question: What purposes do</p> <p>18 you mean when you say "those</p> <p>19 purposes"?</p> <p>20 THE WITNESS: Those purposes, 03:02:55</p> <p>21 meaning to receive bank flows of revenues, you 03:02:56</p> <p>22 know, that could be rum tax revenues or the 03:03:03</p> <p>23 other revenues that you referenced. 03:03:08</p> <p>24 BY MS. MILLER: 03:03:08</p> <p>25 Q. Did the 6048 account receive any 03:03:12</p>

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1	moneys other than clawback money during this	02:09:13	1	understanding of what "clawback revenues"	02:06:01
2	period?	02:09:19	4	means.	02:06:04
3	A. I'm not certain what you're	02:09:25	7	A. My understanding of "clawback	02:06:06
4	referring to as clawback money.	02:09:26	4	revenues" is revenues that either were or are	02:06:09
5	Q. Okay. Have you ever heard the	02:09:29	5	retained by the Commonwealth.	02:06:13
6	term "clawback money"?	02:09:31	6	Q. Can you give me an example of	02:06:21
7	A. I have heard the term "clawback	02:09:32	7	a -- okay. So let me give you an example.	02:06:23
8	money."	02:09:35	8	We looked previously at the	02:06:26
9	Q. And what do you understand it to	02:09:35	9	financial statements and the cash flows, and	02:06:28
10	mean?	02:09:36	10	one category of moneys was federal funds for	02:06:50
11	A. Meaning funds that either were or	02:09:43	11	Medicaid. Do you recall that?	02:06:41
12	are retained at the Commonwealth -- by the	02:09:46	12	A. I do recall.	02:06:42
13	Commonwealth.	02:09:55	13	Q. Okay. And the Commonwealth	02:06:43
14	Q. And when you say money, do you	02:09:59	14	received those moneys, correct, in its TSA	02:06:44
15	specifically mean moneys that are allocated to	02:09:57	15	account?	02:06:47
16	either PRIFA, HTA or CCDA that are currently	02:09:00	16	A. Correct.	02:06:53
17	being retained by the Commonwealth, correct?	02:09:05	17	Q. During the time that the	02:06:54
18	MS. McKEEN: Objection.	02:09:08	18	Commonwealth holds those revenues, are they	02:06:55
19	THE WITNESS: Well, I disagree	02:09:09	19	considered clawback moneys under your	02:06:59
20	with the characterization that they're	02:09:11	20	definition?	02:07:02
21	allocated to those entities.	02:09:13	21	A. I would not consider those	02:07:03
22	BY MS. MILLER:	02:09:14	22	clawback moneys.	02:07:05
23	Q. Well, you don't mean all moneys	02:09:14	23	Q. Okay. So can you suggest or	02:07:07
24	that are held by the Commonwealth, do you? So	02:09:16	24	provide me with -- can you provide me with a	02:07:10
25	define what you mean, please.	02:09:19	25	definition of clawback moneys that would	02:07:13

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1	A. Moneys that either previously or	02:09:26	1	appropriately distinguish what you mean by	02:07:16
2	continue to flow for debt service.	02:09:31	2	clawback moneys from, for example, the federal	02:07:19
3	Q. Well, not all debt service money	02:09:36	3	funds?	02:07:24
4	went to the 6048 account, did it? So I don't	02:09:40	4	MS. McKEEN: Objection.	02:07:24
5	think that's what you mean by defining clawback	02:09:44	5	THE WITNESS: Could you repeat the	02:07:44
6	money. Can you tell me what you actually mean	02:09:46	6	question?	02:07:45
7	when you use the term "clawback money"?	02:09:50	7	BY MS. MILLER:	02:07:45
8	MS. McKEEN: Objection.	02:09:53	8	Q. Can you give me a definition of	02:07:56
9	BY MS. MILLER:	02:09:53	9	clawback moneys that would appropriately	02:07:58
10	Q. Mr. Ahlberg, what do you	02:09:58	10	distinguish what you mean by clawback moneys	02:08:00
11	understand the term "clawback money" to mean?	02:09:58	11	for, for example, those federal funds?	02:08:04
12	A. I understand the term to refer to	02:09:05	12	A. Okay. So the way I understand	02:08:13
13	revenues that either were or are retained by	02:09:06	13	the -- generally understand the definition of	02:08:15
14	the Commonwealth.	02:09:11	14	"clawback revenues" as you've used it is that	02:08:19
15	Q. Any money or a specific set of	02:09:18	15	this refers to moneys that either were or are	02:08:22
16	money?	02:09:19	16	retained by the Commonwealth. Specifically as	02:08:25
17	A. When I think about -- yeah,	02:09:27	17	it relates to this deposition, I'm referring to	02:08:28
18	there's specific -- yes, specific moneys.	02:09:36	18	rum taxes or HTA allocable revenues, et cetera.	02:08:31
19	Q. And what specific money?	02:09:39	19	Q. And when you say "et cetera," do	02:08:39
20	A. I mean, again, I can't recall off	02:09:46	20	you mean CCDA or (indiscernible)?	02:08:45
21	the top of my head all other, other than the	02:09:49	21	A. Those would be generally included	02:08:48
22	context of rum in the context of looking at	02:09:50	22	in the general term of clawback revenues as I	02:08:58
23	this document in the account 6048.	02:09:55	23	understand it.	02:08:54
24	Q. I'm not even asking about Account	02:09:57	24	Q. Okay. And was the 6048 account an	02:08:55
25	6048 right now. I'm just asking about your	02:09:58	25	account that was specifically used during the	02:08:59

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406			408					
1	Q.	Does that reflect an actual	03:15:06	1	March '16 period, were made from the 006	03:15:17		
2		payment of GO Debt Service to bondholder?	03:15:08	2	account, the GO Debt Service account?	03:15:20		
3	A.	Those transfers were made toward	03:15:26	3	A.	Without seeing a single account	03:15:26	
4		the GO Debt Service. I'm uncertain to -- to	03:15:39	4		during this time period, I believe that the	03:15:31	
5		the exact accounts, all of the accounts there.	03:15:34	5		other TSA account would have had balances	03:15:33	
6	Q.	Was it made to third parties?	03:15:40	6		during this time period.	03:15:35	
7	A.	I'm not positive.	03:15:49	7	Q.	Okay. I'm going to ask you the	03:15:36	
8	Q.	So you don't know if it was	03:15:54	8		same question I asked you previously with	02:15:46	
9		transferred into a Commonwealth GO Debt Service	03:15:57	9		respect to the prior Flow of Funds.	03:15:47	
10		account but never transferred subsequently to	03:16:02	10		Just looking at this document for	03:15:49	
11		third parties?	03:16:04	11		the period July '15 to March 2016, it's	02:15:54	
12	A.	I can't recall off the top of my	03:16:09	12		correct, is it not, that the only account	03:15:59	
13		head, but I think we provided documents of that	03:16:10	13		through which the full 117 million of the first	03:15:01	
14		transfer.	03:16:14	14		rum excise tax revenue flow are the Citibank	03:15:07	
15	Q.	And what kind of documents do you	03:16:16	15		9028 account and the GDB 006 account, correct?	03:15:11	
16		believe you provided reflecting that transfer	03:16:20	16		MS. McKEEN: Object to form.	03:15:16	
17		or those transfers?	03:16:24	17		THE WITNESS: The first	03:15:24	
18	A.	I believe we provided transfer --	03:16:26	18		117 million would be received into the Citibank	03:15:26	
19		transfer details showing the transfer out of	03:16:30	19		lockbox as well as transferred into GDB Account	03:15:30	
20		GDB Account 0006 for GO Debt Service.	03:16:32	20		0006.	03:15:35	
21	Q.	And you can't recall whether it	03:16:35	21		BY MS. MILLER:	03:15:35	
22		was to another internal Commonwealth account or	03:16:37	22		Q.	Okay. And then no other account	03:15:36
23		to a third party?	03:16:40	23		reflected on this chart -- sorry.	03:15:40	
24	A.	I can't recall.	03:16:47	24		The full first 117 million of rum	02:15:46	
25	Q.	Okay. Do you know approximately	03:16:48	25		excise taxes do not flow through any other	03:15:48	

407			409					
1		how much money was transferred from the 006	03:16:50	1		account reflected on this Flow of Funds,	03:15:51	
2		account to GO Debt Service during this time	03:16:59	2		correct?	03:15:50	
3		period?	03:16:57	3	A.	There's no other transfer of	03:16:00	
4	A.	I can't recall exactly how much	03:17:01	4		117 million or -- on this -- on this Flow of	03:16:04	
5		that transfer was or those transfers were given	03:17:02	5		Funds.	03:16:12	
6		the transfer that's comingled with other	03:17:07	6	Q.	Okay. So that's a yes, right?	03:16:14	
7		retained revenues.	03:17:10	7		MS. McKEEN: Objection.	03:16:15	
8	Q.	Okay. Do you know whether there	03:17:14	8		THE WITNESS: The first	03:16:18	
9		were any other moneys remaining in the 006	03:17:16	9		117 million flows to the Citibank account, and	03:16:22	
10		account when that transfer was made?	03:17:21	10		then that 117 million will flow to the GDB	03:16:26	
11	A.	Being the operational account of	03:17:23	11		account 0006.	03:16:29	
12		the Commonwealth and TSA, there would	03:17:30	12		It is true then that a total of	03:16:34	
13		definitely be a balance in that account even	03:17:41	13		117 million would not flow from GDB Account	03:16:37	
14		after it transferred.	03:17:45	14		0006 to 6048 with respect to rum taxes.	03:16:39	
15	Q.	Okay. And the 006 account, does	03:17:48	15		BY MS. MILLER:	03:16:39	
16		that refer to a single bank account within the	03:17:50	16		Q.	Okay. I just want to look quickly	03:16:45
17		TSA?	03:17:53	17		at the last page in the Flow of Funds, and this	03:16:52	
18	A.	Yes.	03:17:59	18		reflects the Flow of Funds from April of 2016	03:16:57	
19	Q.	Okay. And are there other bank	03:17:59	19		to the present. Do you see that?	03:17:03	
20		accounts within the TSA?	03:18:01	20		A.	Yes.	03:17:07
21	A.	Yes.	03:18:02	21		Q.	Okay. And here there's a change	03:17:07
22		Q.	Do you know whether the other bank	22		in the Flow of Funds where the moneys go from	03:17:15	
23		accounts in the TSA had any money at the time	03:18:05	23		the U.S. Treasury to the Citibank account,	03:17:21	
24		that the transfers of these retained revenues	03:18:09	24		correct? And then they go into the Banco	03:17:26	
25		were made, as reflected in this July '15 to	03:18:12	25		Popular 9458 account. Do you see that?	03:17:31	

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410			412		
1	A. Yes, I see that.	03:21:37	1	being deposited in the 006 account, which is	03:25:15
2	Q. Okay. During the April 2016 to	03:21:39	2	the equivalent account to the current BPPR 9458	03:25:18
3	the present time period, that has replaced the	03:21:40	3	account, right? And we were able to identify	03:25:22
4	GDB 006 account as the main operational account	03:21:42	4	outflows as a revenue source of rum excise	03:25:28
5	of the Commonwealth, correct?	03:21:46	5	taxes. Do you recall doing that exercise on	03:25:30
6	A. Correct.	03:21:52	6	the prior two terms?	03:25:33
7	Q. Okay. And then we see -- a	03:21:52	7	A. Yes.	03:25:35
8	million dollars transferring to the PRIFA	03:21:55	8	Q. Okay. So my question is:	03:25:36
9	BPPR 2882 account. Do you see that?	03:21:59	9	Why could you not do that exercise	03:25:39
10	A. Yes.	03:22:05	10	for the April '16 to present period?	03:25:42
11	Q. And has that account replaced the	03:22:05	11	A. Maybe I'm not understanding the	03:25:52
12	GDB 0704 account as the primary PRIFA operating	03:22:09	12	exercise that you're referring to. Could you	03:25:58
13	account?	03:22:14	13	please repeat that?	03:26:00
14	A. Would you mind giving me control	03:22:16	14	Q. I'm going to ask a different	03:26:01
15	of the document, please?	03:22:18	15	question.	03:26:02
16	Q. Sure.	03:22:20	16	Is it your understanding that the	03:26:03
17	A. Thank you.	03:22:39	17	rum excise taxes collected between April 2016	03:26:04
18	That's correct.	03:22:49	18	and the present still remain in the TSA?	03:26:08
19	Q. Okay. And the Flow of Funds	03:22:51	19	MS. McKEEN: Objection.	03:26:17
20	stopped here with the Banco Popular 9045	03:23:04	20	THE WITNESS: It's true that	03:26:19
21	account and the Banco Popular 2882 account; is	03:23:06	21	revenue earned from rum taxes from April 2016	03:26:20
22	that right?	03:23:08	22	to present were transferred into the TSA	03:26:24
23	A. Correct.	03:23:12	23	account.	03:26:28
24	Q. Are there any outflows of rum	03:23:12	24	BY MS. MILLER:	03:26:29
25	excise taxes out of the BPPR 9458 account?	03:23:14	25	Q. Have you seen any evidence of an	03:26:29

411			413		
1	A. Besides the \$1 million discrete	03:23:31	1	outflow from the TSA of rum tax revenue?	03:26:31
2	transfer, as documented on this presentation,	03:23:34	2	A. Besides the \$1 million discrete	03:26:42
3	there would have been no transfers out of the	03:23:45	3	transfer noted on the slide, I've seen no	03:26:46
4	TSA operational account for which revenue	03:23:49	4	transfers out of the TSA. The fund source,	03:26:51
5	source was rum tax revenues.	03:23:54	5	revenue source was rum taxes.	03:26:54
6	Q. Is that because the rum tax	03:24:00	6	Q. Okay. And in the prior period	03:26:55
7	revenues don't fit in the operational account?	03:24:02	7	that we looked at, so the entire period from	03:26:57
8	A. It's not possible to know that.	03:24:21	8	January 2014 to March 2016, you were able to	03:27:01
9	Q. And why not?	03:24:24	9	identify outflows of rum tax revenues from the	03:27:07
10	A. Because the TSA is a collection of	03:24:25	10	General Fund, correct?	03:27:11
11	bank accounts that transfer between one	03:24:28	11	Sorry. Let me restate that.	03:27:13
12	another.	03:24:37	12	For the period January 2014	03:27:17
13	Q. Okay. So you think the rum excise	03:24:41	13	through March 2016, when rum taxes flowed out	03:27:19
14	taxes are sitting somewhere in the TSA but not	03:24:44	14	of the Commonwealth's main operational account,	03:27:25
15	necessarily in the 9458 account. Is that what	03:24:46	15	you were able to identify that, correct?	03:27:27
16	you're saying?	03:24:48	16	A. No. We were able to identify	03:27:32
17	UNIDENTIFIED SPEAKER: Objection.	03:24:52	17	transfers from the operational account whose	03:27:34
18	THE WITNESS: Once the cash is	03:24:55	18	fund source was rum tax revenue.	03:27:39
19	in -- once the proceeds from rum revenue is	03:24:57	19	Q. Okay. So for the period	03:27:46
20	deposited to the TSA, those dollars -- that	03:25:02	20	January 2014 through March 2016, you were able	03:27:49
21	cash is indistinguishable from other dollars	03:25:05	21	to identify transfers from the operational	03:27:53
22	and cash within the TSA account.	03:25:07	22	account whose fund source was rum tax revenue;	03:27:54
23	BY MS. MILLER:	03:25:07	23	is that correct?	03:27:54
24	Q. Okay. I know that. But on the	03:25:10	24	A. That is correct.	03:28:04
25	previous chart, we saw the rum tax revenues	03:25:11	25	Q. Okay. And you were not able to	03:28:04

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<p style="text-align: right;">414</p> <p>1 identify any outflow with the fund source of 03:28:03 2 rum tax revenues during the period April 2016 03:28:12 3 to the present; is that correct? 03:28:16 4 A. It's not that we were unable to. 03:28:29 5 It's that we did not identify anything as such. 03:28:39 6 Q. Okay. So to the best of your 03:28:37 7 knowledge, there were no outflows from the TSA 03:28:45 8 with a revenue source of rum excise taxes, 03:28:51 9 correct? 03:28:51 10 UNIDENTIFIED SPEAKER: Objection. 03:28:58 11 BY MS. MILLER: 03:28:59 12 Q. Sorry. During this period, from 03:28:58 13 April -- let me just restate it so we have a 03:29:00 14 clean question. 03:29:02 15 To the best of your knowledge, 03:29:03 16 there were no outflows from April 2016 to the 03:29:05 17 present from the TSA with a revenue source of 03:29:09 18 the rum excise taxes, correct? 03:29:14 19 A. With the exception of the 03:29:22 20 \$1 million listed on this presentation 03:29:23 21 document, that is correct. 03:29:26 22 Q. Thank you. 03:29:31 23 I'm going to switch to talking 03:29:31 24 about CCDA. 03:29:46 25 Now, I mentioned it earlier, 03:29:48</p>	<p style="text-align: right;">416</p> <p>1 Q. Okay. And what work did 03:30:09 2 you -- have you done with respect to the 03:31:03 3 Tourism Company? 03:31:09 4 A. Generally cash flow reporting and 03:31:11 5 cash flow workout scenes. 03:31:16 6 Q. How long have you been doing work 03:31:26 7 related to the Tourism Company? 03:31:35 8 A. It's hard to say specifically. 03:31:40 9 My work with the Commonwealth 03:31:41 10 overlaps with various instrumentalities since I 03:31:43 11 began work at the Commonwealth. 03:31:46 12 Q. Did you similarly put together the 03:32:04 13 Flow of Funds for CCDA? 03:32:10 14 A. For tourism? Yes. 03:32:17 15 Q. Okay. And who at CCDA did you 03:32:20 16 work with? 03:32:23 17 UNIDENTIFIED SPEAKER: Objection. 03:32:27 18 BY MS. MILLER: 03:32:27 19 Q. All right. Who, if anybody, did 03:32:30 20 you speak to at CCDA? 03:32:33 21 A. We worked with individuals 03:32:35 22 employed by the Tourism Company. 03:32:37 23 Q. And why did you speak with people 03:32:40 24 employed by the Tourism Company rather than 03:32:44 25 CCDA? 03:32:47</p>
<p style="text-align: right;">415</p> <p>1 Mr. Ahlberg. Do you have an understanding that 03:29:50 2 when I say "CCDA" -- do you have an 03:29:53 3 understanding of what I mean when I say "CCDA"? 03:29:55 4 A. Would you please clarify for me? 03:30:03 5 Q. Sure. I think it's the Convention 03:30:06 6 Center Development Authority. 03:30:11 7 A. Oh, okay. 03:30:15 8 Q. And when I say "Tourism Company," 03:30:15 9 do you know what I mean? 03:30:19 10 A. Yes. 03:30:21 11 Q. Okay. Do you have any -- have you 03:30:22 12 had any involvement in -- sorry. Let me 03:30:24 13 restate it. 03:30:31 14 So when I say "CCDA," I mean the 03:30:32 15 Convention Center District Authority. Do you 03:30:39 16 understand that? 03:30:37 17 A. Yes. 03:30:38 18 Q. When I say -- sorry, not when I 03:30:39 19 say. 03:30:43 20 Have you had any involvement with 03:30:43 21 CCDA in your -- the ordinary course of your 03:30:49 22 work for AAFAF? 03:30:49 23 A. No. 03:30:53 24 Q. What about the Tourism Company? 03:30:54 25 A. Yes. 03:30:59</p>	<p style="text-align: right;">417</p> <p>1 A. Because putting together the Flow 03:32:50 2 of Funds, the Tourism Company individuals and 03:32:53 3 management team were the ones with the 03:32:57 4 requisite knowledge to help develop an accurate 03:32:59 5 Flow of Funds. 03:33:03 6 Q. Did you speak to anybody at 03:33:04 7 Treasury about putting together a CCDA Flow of 03:33:05 8 Funds? 03:33:12 9 A. I spoke with Treasury about 03:33:12 10 putting together a Flow of Funds for the 03:33:17 11 Tourism Company. 03:33:19 12 Q. And who did you speak to at 03:33:19 13 Treasury? 03:33:21 14 A. Off the top of my head, I can 03:33:26 15 recall Jeira Belén and Hector Gomez. 03:33:28 16 Q. And what did they tell you -- or 03:33:34 17 what did you talk to them about specifically 03:33:35 18 with respect to the Tourism Flow of Funds? 03:33:38 19 A. I think it depends on the 03:33:45 20 conversation, that generally our conversations 03:33:47 21 were focused on aligning with the accuracy as 03:33:49 22 presented in the Flow of Funds presentation. 03:33:53 23 Q. What do you mean by "aligning with 03:34:01 24 the accuracy as presented in the Flow of Funds 03:34:03 25 presentation"? I don't understand that. 03:34:06</p>

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418		420	
1	A. I just mean collective review and	03:34:09	03:36:34
2	collaboration that the Flow of Funds	03:34:12	03:36:35
3	presentation is correct.	03:34:14	03:36:38
4	Q. Did Treasury have any specific	03:34:16	03:36:40
5	information about the revenue stream or the	03:34:19	03:36:49
6	flow of the revenue?	03:34:25	03:36:51
7	A. I can't recall specifically if I	03:34:28	03:36:52
8	obtained revenue information from Treasury.	03:34:32	03:36:54
9	MS. MILLER: Okay. Okay. So I'd	03:34:39	03:36:56
10	like to mark as the next exhibit tab 2001,	03:34:46	03:36:59
11	please.	03:34:53	03:37:06
12	(Monolines Exhibit 30 is	03:34:53	03:37:08
13	introduced for the record.)	03:34:57	03:37:12
14	BY MS. MILLER:	03:34:57	03:37:16
15	Q. Mr. Ahlberg, in connection with	03:34:57	03:37:18
16	preparing the Flow of Funds, did you review the	03:34:59	03:37:22
17	assignment and coordination agreement between	03:35:02	03:37:33
18	the Tourism Company and the GDB?	03:35:06	03:37:36
19	A. I personally did not review that	03:35:13	03:37:40
20	specific document.	03:35:14	03:37:41
21	Q. Are you aware if such a document	03:35:16	03:37:42
22	exists?	03:35:19	03:37:51
23	A. I have heard others refer to that	03:35:23	03:37:52
24	document.	03:35:27	03:37:53
25	Q. Okay. And in what context have	03:35:27	03:38:05
419		421	
1	you heard others refer to the document?	03:35:30	03:38:07
2	A. I can't recall specifically. I	03:35:33	03:38:11
3	just know in general, I'm familiar with -- with	03:35:35	03:38:11
4	the term or the name of the document.	03:35:39	03:38:16
5	Q. Okay. So you've heard of it, you	03:35:42	03:38:18
6	just don't remember specifically where.	03:35:44	03:38:22
7	A. Correct.	03:35:47	03:38:26
8	Q. Okay. So you have in front of you	03:35:48	03:38:27
9	a document that's been marked as Monolines	03:35:50	03:38:29
10	Exhibit 30. It is the Assignment and	03:35:52	03:38:33
11	Coordination Agreement between -- by and	03:35:54	03:38:36
12	between the Tourism Company and the GDB. Do	03:35:57	03:38:41
13	you see that?	03:36:03	03:38:46
14	A. I see that.	03:36:03	03:38:49
15	Q. Okay. And I'd like you to look	03:36:05	03:38:58
16	specifically at Section 1, which is right there	03:36:06	03:39:04
17	on the first page, and it says:	03:36:09	03:39:09
18	The Tourism Company hereby creates	03:36:11	03:39:11
19	a Special Fund called the Assignment and	03:36:13	03:39:16
20	Coordination Agreement ("Holding Fund"),	03:36:14	03:39:19
21	("Holding Fund"). All hotel occupancy tax	03:36:18	03:39:20
22	revenues will be deposited, as collected, into	03:36:22	03:39:26
23	the Holding Fund.	03:36:25	03:39:28
24	Have you ever heard of the Holding	03:36:28	03:39:33
25	Fund?	03:36:34	03:39:37
1	A. I'm not aware of a specific	03:36:34	03:39:37
2	Holding Fund.	03:36:35	03:39:35
3	Q. Have you ever heard that term used	03:36:38	03:39:38
4	in connection with CCDA or the Tourism Company?	03:36:40	03:39:40
5	A. I may have heard the term, but I	03:36:49	03:39:49
6	am not generally familiar with it.	03:36:51	03:39:51
7	Q. Do you know whether there's an	03:36:52	03:39:54
8	accounting designation in the Commonwealth or	03:36:54	03:39:56
9	Tourism Company account that correspond to a	03:36:56	03:39:59
10	Holding Fund?	03:36:59	03:39:59
11	A. I'm not positive about an	03:37:06	03:39:59
12	accounting designation of a specific Holding	03:37:08	03:39:59
13	Fund.	03:37:12	03:39:59
14	Q. Okay. Are you thinking of a	03:37:16	03:39:59
15	different accounting designation that relates	03:37:18	03:39:59
16	to hotel occupancy taxes?	03:37:22	03:39:59
17	A. I'm not certain, just not being	03:37:33	03:39:59
18	familiar with the Holding Fund terminology.	03:37:36	03:39:59
19	Q. And my question was:	03:37:40	03:39:59
20	Are you aware of any accounting	03:37:41	03:39:59
21	designations that relate to the hotel occupancy	03:37:42	03:39:59
22	taxes?	03:37:51	03:39:59
23	A. I'm not certain of accounting	03:37:52	03:39:59
24	designations.	03:37:53	03:39:59
25	Q. And here it says that the moneys	03:38:05	03:39:59
1	will be deposited as collected into the Holding	03:38:07	03:39:59
2	Fund. Do you see that?	03:38:11	03:39:59
3	A. I do see that.	03:38:11	03:39:59
4	Q. And what does that mean to you?	03:38:16	03:39:59
5	A. It means that all hotel occupancy	03:38:18	03:39:59
6	tax revenues will be deposited as collected	03:38:22	03:39:59
7	into the Holding Fund.	03:38:26	03:39:59
8	Q. And what does it mean to be	03:38:27	03:39:59
9	deposited into a Fund?	03:38:29	03:39:59
10	A. Generally it -- I mean, it depends	03:38:33	03:39:59
11	on how they're using the word "Fund" here, but,	03:38:36	03:39:59
12	generally, it would mean cash deposits into	03:38:41	03:39:59
13	whatever this concept of -- of Fund definitions	03:38:46	03:39:59
14	are used.	03:38:49	03:39:59
15	Q. Does that make sense to you?	03:38:58	03:39:59
16	A. Does what make sense to me?	03:39:04	03:39:59
17	Q. The idea of a cash deposit into a	03:39:09	03:39:59
18	Fund.	03:39:11	03:39:59
19	A. It makes sense that there would be	03:39:16	03:39:59
20	cash deposits into a bank account.	03:39:19	03:39:59
21	Q. What about into the Fund?	03:39:20	03:39:59
22	A. I don't know. It depends on	03:39:26	03:39:59
23	what's meant by "Fund."	03:39:28	03:39:59
24	Q. Okay. Well, what do you think is	03:39:33	03:39:59
25	meant by "Fund" here?	03:39:37	03:39:59

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<p>1 UNIDENTIFIED SPEAKER: Objection. 03:39:44</p> <p>2 BY MS. MILLER: 03:39:46</p> <p>3 Q. Do you have an understanding of 03:39:46</p> <p>4 how the Commonwealth uses the word "Fund"? 03:39:46</p> <p>5 UNIDENTIFIED SPEAKER: Objection. 03:39:52</p> <p>6 THE WITNESS: The Commonwealth 03:39:53</p> <p>7 uses the word "Fund" in various ways, and often 03:39:54</p> <p>8 very loosely, and the way that I think about 03:39:57</p> <p>9 Fund is about Funds numbered specifically 03:40:00</p> <p>10 within the PRIFA system. 03:40:02</p> <p>11 BY MS. MILLER: 03:40:02</p> <p>12 Q. Okay. Section 2 says that: 03:40:08</p> <p>13 The holding Fund shall contain two 03:40:10</p> <p>14 accounts identified as the Transfer Account and 03:40:13</p> <p>15 the Surplus Account. Do you see that? 03:40:16</p> <p>16 A. I see that. 03:40:18</p> <p>17 Q. Have you ever heard of the 03:40:18</p> <p>18 transfer account before? 03:40:21</p> <p>19 A. Yes. 03:40:26</p> <p>20 Q. And have you ever heard of the 03:40:26</p> <p>21 surplus account before? 03:40:28</p> <p>22 A. Yes. 03:40:30</p> <p>23 Q. Okay. Do you have an 03:40:30</p> <p>24 understanding of what revenues are assumed to 03:40:32</p> <p>25 be deposited into the transfer account? 03:40:36</p>	<p>1 testimony that all hotel occupancy taxes have 03:41:51</p> <p>2 to flow through the transfer account, is that 03:41:56</p> <p>3 what I just heard you say? 03:41:59</p> <p>4 A. It is not my testimony that all 03:42:06</p> <p>5 hotel occupancy taxes have to flow through the 03:42:07</p> <p>6 transfer account. It is my testimony that in 03:42:11</p> <p>7 practice, in fact, depending on the time period 03:42:18</p> <p>8 in question, that all -- all hotel occupancy 03:42:20</p> <p>9 taxes would pass through the transfer account. 03:42:24</p> <p>10 BY MS. MILLER: 03:42:24</p> <p>11 Q. Okay. So when I asked you if you 03:42:29</p> <p>12 have an understanding of what revenues are 03:42:31</p> <p>13 required to be deposited into the transfer 03:42:33</p> <p>14 account, you weren't answering that question, 03:42:35</p> <p>15 you were answering a different question when 03:42:36</p> <p>16 you said all hotel occupancy taxes would 03:42:39</p> <p>17 eventually be transferred to the transfer 03:42:42</p> <p>18 account? So it's just a statement not 03:42:43</p> <p>19 responsive to my question? 03:42:47</p> <p>20 UNIDENTIFIED SPEAKER: Objection. 03:42:49</p> <p>21 THE WITNESS: I think I lost the 03:42:57</p> <p>22 factual question that you're actually asking. 03:42:59</p> <p>23 Would you mind -- 03:43:01</p> <p>24 BY MS. MILLER: 03:43:01</p> <p>25 Q. Okay. Let me just ask -- let me 03:43:02</p>
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<p>1 A. Yes. 03:40:40</p> <p>2 Q. Okay. And what moneys are those? 03:40:40</p> <p>3 A. In general, all hotel occupancy 03:40:47</p> <p>4 taxes would eventually be transferred to the 03:40:52</p> <p>5 transfer account. 03:40:59</p> <p>6 Q. Okay. Your testimony -- sorry, I 03:41:11</p> <p>7 forgot to ask. 03:41:18</p> <p>8 Are you also testifying as the 03:41:16</p> <p>9 corporate representative for the Tourism 03:41:20</p> <p>10 Company today? 03:41:22</p> <p>11 A. Yes. 03:41:22</p> <p>12 Q. And you've also been designated as 03:41:28</p> <p>13 the corporate representative for CCDA; is that 03:41:28</p> <p>14 correct? 03:41:28</p> <p>15 A. No. 03:41:28</p> <p>16 Q. Okay. You're not the corporate 03:41:30</p> <p>17 representative for CCDA? 03:41:32</p> <p>18 A. No. 03:41:38</p> <p>19 MS. MILLER: Okay. We don't get a 03:41:37</p> <p>20 corporate representative for CCDA, Liz? 03:41:38</p> <p>21 MS. McKEEN: You haven't noticed 03:41:43</p> <p>22 one. 03:41:45</p> <p>23 MS. MILLER: Okay. 03:41:47</p> <p>24 BY MS. MILLER: 03:41:47</p> <p>25 Q. Okay. So is the Tourism's 03:41:50</p>	<p>1 just ask you my same question again. 03:43:04</p> <p>2 Do you have an understanding of 03:43:06</p> <p>3 what revenues are required to be deposited into 03:43:08</p> <p>4 the transfer account? 03:43:10</p> <p>5 A. I'm not an attorney. I don't know 03:43:17</p> <p>6 what revenues are required to be transferred 03:43:19</p> <p>7 into that account, but I can tell you, 03:43:22</p> <p>8 depending on the time period, what revenues did 03:43:24</p> <p>9 or did not pass through that account. 03:43:26</p> <p>10 Q. Okay. So are lawyers the only 03:43:28</p> <p>11 people who have to take into account and 03:43:30</p> <p>12 consider what moneys have to flow into what 03:43:33</p> <p>13 account? 03:43:35</p> <p>14 UNIDENTIFIED SPEAKER: Objection. 03:43:40</p> <p>15 THE WITNESS: I don't know. But 03:43:52</p> <p>16 there -- attorneys would certainly provide the 03:43:55</p> <p>17 context for whether there was a requirement or 03:43:59</p> <p>18 not a requirement to do so based on the law. 03:44:00</p> <p>19 BY MS. MILLER: 03:44:00</p> <p>20 Q. Okay. Well, what about 03:44:06</p> <p>21 accountants, do they look at documents like 03:44:07</p> <p>22 this to determine Flow of Funds and any 03:44:09</p> <p>23 conditions or restrictions related to various 03:44:13</p> <p>24 moneys? 03:44:15</p> <p>25 A. I can't speculate on what general 03:44:20</p>

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<p style="text-align: right;">426</p> <p>1 accountants might view or not view. 03:44:23</p> <p>2 Q. Okay. Well, in any of your 03:44:26</p> <p>3 five-plus accounting courses that you took in 03:44:30</p> <p>4 college, did any of them consider the need in 03:44:32</p> <p>5 reviewing accounting materials to consider 03:44:34</p> <p>6 legal, contractual or other restrictions or 03:44:38</p> <p>7 requirements associated with various funds? 03:44:42</p> <p>8 UNIDENTIFIED SPEAKER: Objection. 03:44:46</p> <p>9 THE WITNESS: I can't recall if 03:44:51</p> <p>10 there's a specific section like that in one of 03:44:52</p> <p>11 the classes I took in college. 03:44:54</p> <p>12 BY MS. MILLER: 03:44:54</p> <p>13 Q. I'm not asking for a specific 03:44:58</p> <p>14 section. I'm just asking if that concept ever 03:45:01</p> <p>15 came up. 03:45:04</p> <p>16 MS. McKEEN: Objection. 03:45:04</p> <p>17 THE WITNESS: I can't recall if 03:45:12</p> <p>18 that context specifically came up in class or 03:45:13</p> <p>19 not. 03:45:13</p> <p>20 BY MS. MILLER: 03:45:15</p> <p>21 Q. Would operational people within 03:45:16</p> <p>22 Treasury have to know what moneys are required 03:45:17</p> <p>23 to flow into what account? 03:45:19</p> <p>24 MS. McKEEN: Objection. 03:45:27</p> <p>25 THE WITNESS: People at Treasury 03:45:31</p>	<p style="text-align: right;">428</p> <p>1 UNIDENTIFIED SPEAKER: Objection. 03:46:43</p> <p>2 BY MS. MILLER: 03:46:43</p> <p>3 Q. Okay. So I'm asking you not as a 03:46:44</p> <p>4 lawyer but from an operational perspective, do 03:46:46</p> <p>5 you have an understanding of what moneys under 03:46:49</p> <p>6 the assignment and coordination agreement are 03:46:51</p> <p>7 supposed to flow through the transfer account? 03:46:53</p> <p>8 MS. McKEEN: Objection. 03:46:58</p> <p>9 THE WITNESS: I'm not certain what 03:47:06</p> <p>10 this document would require or not require, but 03:47:09</p> <p>11 I can't tell you or answer questions about in 03:47:12</p> <p>12 practice and actuality what happened and where 03:47:15</p> <p>13 funds would flow. 03:47:17</p> <p>14 BY MS. MILLER: 03:47:17</p> <p>15 Q. Well, so let me ask you about that 03:47:18</p> <p>16 in practice and then reality. 03:47:19</p> <p>17 Have you seen any documents that 03:47:23</p> <p>18 specifically identify any bank account that 03:47:24</p> <p>19 you've included on your Flow of Funds as the 03:47:26</p> <p>20 transfer account? 03:47:28</p> <p>21 A. Yes. 03:47:33</p> <p>22 Q. Okay. What document? 03:47:34</p> <p>23 A. I believe I misunderstood your 03:47:44</p> <p>24 question and answered -- answered a question 03:47:47</p> <p>25 that you did not ask. 03:47:51</p>
<p style="text-align: right;">427</p> <p>1 would be knowledgeable about different bank 03:45:32</p> <p>2 accounts and transfer between bank accounts. 03:45:36</p> <p>3 BY MS. MILLER: 03:45:36</p> <p>4 Q. And the basis for those transfers, 03:45:43</p> <p>5 correct? 03:45:50</p> <p>6 A. Potentially. I can't say whether 03:45:50</p> <p>7 one person at Treasury does or does not know 03:45:52</p> <p>8 the basis for executing their operational job 03:45:56</p> <p>9 functions. 03:46:00</p> <p>10 Q. Okay. But they need to know what 03:46:01</p> <p>11 the requirements are in order to execute and 03:46:03</p> <p>12 direct money to appropriate people, right? 03:46:06</p> <p>13 There are operational people in 03:46:09</p> <p>14 whatever the relevant entity is, whether it's 03:46:11</p> <p>15 the Commonwealth or whether it's Tourism 03:46:14</p> <p>16 Company, correct? 03:46:18</p> <p>17 A. Certainly there are people who 03:46:21</p> <p>18 review that information to know how to execute 03:46:23</p> <p>19 transfers. 03:46:27</p> <p>20 Q. Okay. And among those people are 03:46:28</p> <p>21 the people who you've referred to multiple 03:46:29</p> <p>22 times both today and on Tuesday as "we," 03:46:32</p> <p>23 referring to the Treasury, correct? 03:46:35</p> <p>24 A. Correct. 03:46:42</p> <p>25</p>	<p style="text-align: right;">429</p> <p>1 Q. Okay. So let me ask my question 03:47:52</p> <p>2 again. 03:47:55</p> <p>3 Have you seen any document in all 03:47:56</p> <p>4 of the work that you've done in putting 03:48:01</p> <p>5 together the Tourism Company Flow of Funds that 03:48:04</p> <p>6 specifically identifies any bank account 03:48:07</p> <p>7 reflected on your Flow of Funds as the transfer 03:48:11</p> <p>8 account? 03:48:16</p> <p>9 A. I can't recall personally 03:48:19</p> <p>10 reviewing a document that identified a specific 03:48:21</p> <p>11 account as the transfer account, but through 03:48:23</p> <p>12 the collaborative process and work with 03:48:26</p> <p>13 Treasury and the team that was pulling 03:48:31</p> <p>14 documents for discovery, I'm confident that I 03:48:36</p> <p>15 can identify the transfer account on the Flow 03:48:41</p> <p>16 of Funds presentation. 03:48:44</p> <p>17 Q. Okay. I'd like to know if you or 03:48:46</p> <p>18 anybody you've worked with has either seen or 03:48:49</p> <p>19 told you that there exists a document that 03:48:53</p> <p>20 identifies a particular bank account as the 03:48:57</p> <p>21 transfer account. 03:49:03</p> <p>22 A. I can't recall a specific document 03:49:06</p> <p>23 that somebody referenced, but I do know which 03:49:11</p> <p>24 account is referred to as the transfer account. 03:49:13</p> <p>25 Q. Okay. I don't want to know your 03:49:16</p>

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<p>430</p> <p>1 guesswork about what you've decided is the 03:49:18</p> <p>2 transfer account. I want to know if there's 03:49:21</p> <p>3 any evidence that whatever account you're going 03:49:22</p> <p>4 to tell me is the transfer account is actually 03:49:26</p> <p>5 the transfer account. 03:49:29</p> <p>6 MS. McKEEN: Objection, 03:49:30</p> <p>7 argumentative. 03:49:31</p> <p>8 THE WITNESS: I can't tell you a 03:49:41</p> <p>9 specific document that I've personally reviewed 03:49:43</p> <p>10 but that through our team's process and work, 03:49:44</p> <p>11 I'm confident that I can identify the transfer 03:49:47</p> <p>12 account in the Flow of Funds. 03:49:50</p> <p>13 BY MS. MILLER: 03:49:51</p> <p>14 Q. Okay. So I've looked through the 03:49:52</p> <p>15 documents that you've produced, and I can tell 03:49:53</p> <p>16 you that there is not a single document that 03:49:58</p> <p>17 identifies any account on your Flow of Funds as 03:49:57</p> <p>18 the transfer account. 03:50:01</p> <p>19 Do you have any reason to believe 03:50:04</p> <p>20 that that is not in fact the case? 03:50:06</p> <p>21 MS. McKEEN: Objection. 03:50:13</p> <p>22 BY MS. MILLER: 03:50:13</p> <p>23 Q. So, actually, now I am asking you 03:50:14</p> <p>24 about what I know. 03:50:16</p> <p>25 So I'm going to make the 03:50:17</p>	<p>432</p> <p>1 MS. MILLER: Okay. I'm going to 03:51:21</p> <p>2 move to strike as nonresponsive. 03:51:23</p> <p>3 BY MS. MILLER: 03:51:23</p> <p>4 Q. Has anyone on your team told you 03:51:26</p> <p>5 that they have seen a document that identifies 03:51:29</p> <p>6 a bank account as the transfer account? 03:51:35</p> <p>7 A. I don't recall a specific 03:51:41</p> <p>8 conversation where somebody specifically 03:51:42</p> <p>9 referenced a bank account as the reason that 03:51:44</p> <p>10 they knew that that was the transfer account. 03:51:45</p> <p>11 Q. When you say "a bank account," do 03:51:50</p> <p>12 you mean a document? 03:51:52</p> <p>13 A. I meant bank statement. Thank 03:51:57</p> <p>14 you. 03:51:59</p> <p>15 Q. Do you expect that if there was 03:51:59</p> <p>16 such a document, it would have been produced? 03:52:01</p> <p>17 A. I can't speculate one way or the 03:52:05</p> <p>18 other. 03:52:10</p> <p>19 MS. MILLER: Okay. Well, I'm 03:52:10</p> <p>20 going to call for the production of any such 03:52:11</p> <p>21 documents that the Commonwealth intends to rely 03:52:12</p> <p>22 on as evidence that the account that you're 03:52:15</p> <p>23 going to tell me is the transfer account is in 03:52:18</p> <p>24 fact the transfer account. 03:52:21</p> <p>25</p>
<p>431</p> <p>1 representation that I've reviewed it, and there 03:50:18</p> <p>2 are no documents that were produced that 03:50:19</p> <p>3 identify any account as the transfer account. 03:50:23</p> <p>4 So my question to you is: 03:50:25</p> <p>5 Do you believe that there is a 03:50:29</p> <p>6 document to the contrary that specifically 03:50:30</p> <p>7 identifies a bank account as the transfer 03:50:32</p> <p>8 account? 03:50:33</p> <p>9 MS. McKEEN: Objection. 03:50:36</p> <p>10 BY MS. MILLER: 03:50:36</p> <p>11 Q. Not that you can think of off the 03:50:38</p> <p>12 top of your head, not that you've personally 03:50:41</p> <p>13 seen that exists in the universe. 03:50:42</p> <p>14 As the corporate representative of 03:50:45</p> <p>15 the Tourism Company and of the Commonwealth, is 03:50:48</p> <p>16 there a document that exists that identifies a 03:50:51</p> <p>17 specific bank account as the transfer account? 03:50:54</p> <p>18 MS. McKEEN: Objection. 03:50:58</p> <p>19 THE WITNESS: I have not seen an 03:51:03</p> <p>20 individual document that identifies the account 03:51:09</p> <p>21 as the transfer account, but did enough work in 03:51:07</p> <p>22 collaboration with the team to satisfy myself 03:51:10</p> <p>23 that I can accurately identify a transfer 03:51:13</p> <p>24 account, bank account on the Flow of Funds 03:51:17</p> <p>25 presentation. 03:51:19</p>	<p>433</p> <p>1 BY MS. MILLER: 03:52:21</p> <p>2 Q. Okay. Looking at Section 4, which 03:52:22</p> <p>3 is on the next page of Monolines Exhibit 30, 03:52:24</p> <p>4 this document provides what it seems like you 03:52:32</p> <p>5 already know, which is that: 03:52:37</p> <p>6 All hotel occupancy tax funds 03:52:37</p> <p>7 received by the Tourism Company shall be 03:52:41</p> <p>8 deposited into the transfer account until (i) 03:52:42</p> <p>9 1/10 of the required payment has been met and 03:52:44</p> <p>10 (ii) any deficiencies in prior payment periods 03:52:46</p> <p>11 have been met, but in aggregate such amounts 03:52:52</p> <p>12 shall not exceed the total amount of Required 03:52:54</p> <p>13 Payment needed in any Fiscal Year. 03:52:56</p> <p>14 Thereafter, and only when the 03:52:59</p> <p>15 Transfer Account contains all moneys necessary 03:53:01</p> <p>16 to pay the Bonds in accordance with the GDB 03:53:03</p> <p>17 Certificate, the Tourism Company shall deposit 03:53:07</p> <p>18 any excess funds into the surplus account. 03:53:09</p> <p>19 Do you see that? 03:53:11</p> <p>20 A. Yes. 03:53:14</p> <p>21 Q. All right. So you have an 03:53:14</p> <p>22 understanding that under this agreement, 03:53:17</p> <p>23 moneys -- the only moneys that are supposed to 03:53:21</p> <p>24 flow into the transfer account are those that 03:53:22</p> <p>25 are pledged to the bondholder, correct? 03:53:25</p>

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1	MS. McKEEN: Objection.	03:53:33	1	And then it keeps going.	03:56:31
2	THE WITNESS: I think you	03:53:50	2	So you can take a look at that and	03:56:33
3	paraphrased this paragraph, and I'm not	03:53:54	3	then tell me if you have an understanding of	03:56:35
4	positive whether I agree or disagree with that	03:53:56	4	what required payments are.	03:56:36
5	paraphrasing.	03:53:59	5	A. Yeah, I have an understanding of	03:56:47
6	BY MS. MILLER:	03:53:59	6	what required payments are as they're defined	03:56:48
7	Q. Okay. Well, I'll let you	03:54:00	7	within this document.	03:56:50
8	paraphrase it.	03:54:03	8	Q. Okay. And so you have an	03:56:51
9	What's your understanding, based	03:54:04	9	understanding that only the -- on a monthly	03:56:55
10	on the paragraph we just looked at, of what	03:54:05	10	basis only 1/10 of the required payments are	03:56:56
11	moneys are supposed to flow into the transfer	03:54:07	11	supposed to be put into the transfer account	03:57:03
12	account?	03:54:09	12	plus any deficiency, and thereafter any excess	03:57:06
13	MS. McKEEN: Objection.	03:54:10	13	moneys are supposed to flow to the surplus	03:57:10
14	THE WITNESS: I'm happy to reread	03:54:15	14	account, correct?	03:57:12
15	the paragraph and sentences that you just read.	03:54:17	15	UNIDENTIFIED SPEAKER: Objection.	03:57:17
16	BY MS. MILLER:	03:54:17	16	THE WITNESS: That's what this	03:57:18
17	Q. Yeah. Take as long as you need.	03:54:20	17	agreement says.	03:57:19
18	A. Okay. Thank you.	03:54:26	18	BY MS. MILLER:	03:57:19
19	Would you now repeat your	03:54:40	19	Q. Did you ever have any discussions	03:57:25
20	question, please?	03:54:41	20	with anybody either at the Tourism Company or	03:57:26
21	MS. MILLER: Could the court	03:55:11	21	Treasury about how the moneys are supposed to	03:57:28
22	reporter read it back, please?	03:55:15	22	flow under this agreement?	03:57:31
23	(Record read as requested.)	03:55:18	23	A. I mean, we certainly talked to the	03:57:45
24	THE WITNESS: The document says	03:55:18	24	Tourism Company about Flow of Funds.	03:57:47
25	that:	03:55:20	25	Q. My question was specifically to	03:57:58

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1	All Hotel Occupancy Tax Funds	03:55:20	1	how the moneys were supposed to flow under this	03:58:01
2	shall be deposited into the transfer account	03:55:20	2	agreement, specifically as between the transfer	03:58:04
3	until 1/10 of the required payments are met.	03:55:24	3	account and the surplus account.	03:58:07
4	BY MS. MILLER:	03:55:28	4	A. My focus was on documenting the	03:58:16
5	Q. And any deficiencies, correct?	03:55:28	5	actual Flow of Funds and how it actually	03:58:19
6	A. Correct, that's what the document	03:55:30	6	happened.	03:58:22
7	says.	03:55:32	7	Q. And is this how the moneys	03:58:24
8	Q. Okay. And do you have an	03:55:36	8	actually flowed?	03:58:28
9	understanding of what required payments are?	03:55:37	9	UNIDENTIFIED SPEAKER: Objection.	03:58:35
10	A. I have an understanding generally	03:55:44	10	THE WITNESS: I have not done the	03:58:37
11	of the term "required payments."	03:55:46	11	exercise to cross-reference every adjusted flow	03:58:42
12	Q. Okay. What's your understanding?	03:55:47	12	from this document to the actual fund.	03:58:46
13	A. I understand the term "required	03:55:50	13	BY MS. MILLER:	03:58:48
14	payments" to mean payments that are required.	03:55:52	14	Q. Mr. Ahlberg, that's not what I'm	03:58:48
15	Q. Okay. So let's go back one page	03:55:57	15	asking.	03:58:50
16	to Section 3, which defines the term "required	03:55:59	16	You've spent many weeks putting	03:58:50
17	payment" as:	03:56:03	17	together Flow of Funds documents, and I'm	03:58:52
18	The amount necessary for the	03:56:13	18	asking you whether for the CCDA Flow of Funds	03:58:55
19	Authority to make, during the upcoming fiscal	03:56:15	19	at any point in time the money flowed such that	03:58:59
20	year and the first day of the second succeeding	03:56:18	20	the required payment -- 1/10 of the required	03:59:04
21	fiscal -- succeeding fiscal year, (a), payments	03:56:21	21	payment went into the transfer account on a	03:59:08
22	equal to the amount necessary for the full and	03:56:21	22	monthly basis, any deficiency, and the	03:59:11
23	timely payment or amortization of the principal	03:56:24	23	remainder went into the surplus account.	03:59:13
24	and interest on the bonds due on July 1 and	03:56:27	24	You told me that you're confident	03:59:24
25	January 1.	03:56:31	25	you can tell me which is the transfer account	03:59:27

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438			440		
1	and which is the surplus account. So now I'm	03:59:29	1	Q. Yeah, we are pulling it up, but	04:01:37
2	asking you did the money ever flow consistent	03:59:31	2	I'm just asking you generally, while it's	04:01:39
3	with the flow that we just looked at in	03:59:34	3	happening, whether you've ever seen the pledge	04:01:42
4	Monolines Exhibit 30?	03:59:35	4	agreement related to this before.	04:01:46
5	UNIDENTIFIED SPEAKER: Same	03:59:39	5	A. I don't recall specifically	04:01:48
6	objection.	03:59:40	6	looking at this agreement previously.	04:01:48
7	THE WITNESS: I can't say whether	03:59:42	7	Q. Okay. Are you familiar with any	04:01:55
8	or not the Flow of Funds is consistent with how	03:59:43	8	accounts that are referred to in the Tourism	04:01:56
9	the suggested Flow of Funds should be. I can	03:59:46	9	Company flow as the pledge account?	04:01:59
10	say that the Flow of Funds' presentation	03:59:48	10	A. Yes.	04:02:01
11	document, the Flow of Funds they haven't.	03:59:50	11	Q. Okay. What's your understanding	04:02:03
12	BY MS. MILLER:	03:59:50	12	of what the pledge account is?	04:02:04
13	Q. Okay. And how did, based on your	03:59:53	13	A. In the Flow of Funds, the pledge	04:02:10
14	recollection, and we'll look at them shortly,	03:59:57	14	account is the account that receives an	04:02:13
15	what was the first step of the flow after being	04:00:01	15	approximately \$3 million transfer every month.	04:02:15
16	received by the Commonwealth?	04:00:05	16	During the certain period it is -- it is	04:02:20
17	MS. McKEEN: Objection, vague as	04:00:08	17	ultimately passed on.	04:02:23
18	to time.	04:00:09	18	Q. Okay. Okay. And I just want to	04:02:27
19	BY MS. MILLER:	04:00:09	19	look at -- okay.	04:02:41
20	Q. At any time.	04:00:13	20	And I just want to look at	04:03:23
21	MS. McKEEN: Specify a time you'd	04:00:15	21	Section 3(b) of the account -- of the pledge	04:03:35
22	like. Objection.	04:00:20	22	agreement, so Section 3, which you went one	04:03:39
23	THE WITNESS: I think you	04:00:24	23	page too far, if you could go back. Thank you.	04:03:50
24	characterized flows to the Commonwealth when I	04:00:25	24	Section 3 provides that:	04:03:54
25	think of hotel occupancy taxes flowing to the	04:00:31	25	The GDB hereby agrees that, so	04:03:55

439			441		
1	Tourism Company.	04:00:34	1	long as there are any Bonds Outstanding under	04:03:57
2	BY MS. MILLER:	04:00:34	2	the Trust Agreement, to deposit or cause to be	04:04:00
3	Q. Right. And that's a good point.	04:00:36	3	deposited into the Pledge Account, all Hotel	04:04:03
4	The hotel occupancy taxes never	04:00:38	4	Occupancy Taxes received from the Tourism	04:04:06
5	actually flowed to the Commonwealth other than	04:00:40	5	Company as received but in no event...than	04:04:09
6	during that clawback period where the	04:00:42	6	12:00 noon, New York time, on the next Business	04:04:13
7	Commonwealth takes them back, right?	04:00:45	7	Day immediately following the Business Day on	04:04:15
8	A. Without having the Flow of Funds	04:00:50	8	which such Hotel Occupancy Tax Funds are	04:04:15
9	presentation in front of me, I believe that's	04:00:52	9	received by GDB," right?	04:04:17
10	correct.	04:01:01	10	And then (b) says:	04:04:19
11	MS. MILLER: Okay. I'd like to	04:01:01	11	Amounts deposited in the Pledge	04:04:21
12	mark tab, document 102, as the next exhibit,	04:01:03	12	Account are to be held by GDB to provide for	04:04:23
13	please.	04:01:11	13	the following receipts (in order of priority).	04:04:26
14	And Exhibit 31, Monolines	04:01:21	14	Do you see that?	04:04:29
15	Exhibit 31 is going to be the Pledge Assignment	04:01:25	15	MS. McKEEN: Objection. It	04:04:29
16	Agreement by and among the Puerto Rico	04:01:29	16	doesn't say "receipt." It says "deposit."	04:04:33
17	Convention Center District Authority, the	04:01:30	17	MS. MILLER: Oh, sorry. Thank	04:04:34
18	Government Development Bank and JPMorgan Chase.	04:01:30	18	you, but let me correct that.	04:04:34
19	(Monolines Exhibit 31 is	04:01:30	19	BY MS. MILLER:	04:04:34
20	introduced for the record.)	04:01:39	20	Q. 3(b) says:	04:04:37
21	BY MS. MILLER:	04:01:39	21	Amounts deposited in the Pledge	04:04:39
22	Q. Is this the document or have you	04:01:39	22	Account are to be held by GDB to provide for	04:04:43
23	seen such an assignment agreement before?	04:01:39	23	the following deposits (in order of priority).	04:04:43
24	A. Are you pulling the document up	04:01:39	24	Do you see that?	04:04:45
25	right now?	04:01:39	25	A. Yes, I see that.	04:04:46

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442		444		
1	Q. Okay. And subsection 1 says:	04:04:47	1 BY MS. MILLER:	04:07:16
2	GDB will make payments to the	04:04:51	4 Q. Okay. All I want. Okay. Okay.	04:07:18
3	Commonwealth of Puerto Rico as set forth in	04:04:53	13 And then do you understand that	04:07:30
4	Section 2(b) above when required in accordance	04:04:54	4 under Section 3(b)(2) moneys get transferred to	04:07:39
5	with Section 8 of Article VI of the	04:04:57	5 the trustee, correct?	04:07:44
6	Constitution of the Commonwealth of	04:05:02	6 MS. McKEEN: Objection. Are you	04:07:49
7	Puerto Rico.	04:05:03	7 asking --	04:07:49
8	Do you see that?	04:05:05	8 (Simultaneous speaking.)	04:07:52
9	A. Yes, I see that.	04:05:05	9 BY MS. MILLER:	04:07:52
10	Q. Okay. And is it your	04:05:08	10 Q. Are to be transferred to the	04:07:53
11	understanding that that is supposed to be a --	04:05:10	11 trustee?	04:07:56
12	sorry.	04:05:20	12 MS. McKEEN: Objection.	04:07:58
13	Do you have an understanding of	04:05:20	13 THE WITNESS: Would you please	04:08:00
14	what account that it's supposed to be	04:05:21	14 repeat the question?	04:08:01
15	transferred from?	04:05:25	15 BY MS. MILLER:	04:08:01
16	MS. McKEEN: Objection.	04:05:31	16 Q. Yeah. Do you have an	04:08:03
17	THE WITNESS: It's not clear to me	04:05:44	17 understanding that under Section 3(b)(2) the	04:08:04
18	from the document section that we read.	04:05:46	18 GDB is then supposed to transfer the moneys	04:08:11
19	BY MS. MILLER:	04:05:50	19 from the pledge account to the trust account,	04:08:13
20	Q. Okay. Okay. And then number 2 is	04:05:50	20 right?	04:08:18
21	that the:	04:05:50	21 MS. McKEEN: Objection.	04:08:19
22	GDB shall on each calendar month	04:05:59	22 THE WITNESS: That is what	04:08:23
23	no later than 12:00 noon, on the third Business	04:06:01	23 Section 3(b)(2) says.	04:08:25
24	Day immediately following the Business Day on	04:06:06	24 BY MS. MILLER:	04:08:25
25	which the Hotel Occupancy Tax Funds are	04:06:06	25 Q. Okay. And do you know who the	04:08:30

443		445		
1	received by it, transfer or caused to be	04:06:09	1 trustee is on the Fund?	04:08:34
2	transferred to the Trustee all Hotel Occupancy	04:06:12	2 A. I can't recall off the top of my	04:08:41
3	Tax Funds then deposited to the pledge account.	04:06:16	3 head.	04:08:44
4	Do you see that?	04:06:18	4 MS. MILLER: I'd like to look at	04:08:55
5	A. I see that.	04:06:18	5 the CCDA Flow of Funds.	04:08:59
6	Q. Okay. So you said it wasn't clear	04:06:22	6 So, Karen, if you could pull up	04:09:00
7	to you when I asked you where the transfer to	04:06:24	7 tab 2135 as Exhibit 32.	04:09:03
8	the Commonwealth with respect to what was	04:06:30	8 (Monolines Exhibit 32 is	04:09:03
9	colloquially referred to as "the clawback" were	04:06:33	9 introduced for the record.)	04:09:09
10	made from, but if you look at Section 3(b), it	04:06:36	10 BY MS. MILLER:	04:09:09
11	specifically says:	04:06:39	11 Q. Mr. Ahlberg, have you ever seen	04:09:22
12	Amounts deposited in the Pledge	04:06:40	12 any internal documents that specifically map	04:09:24
13	Account are to be held by the GDB pro-	04:06:42	13 the various funds and accounts that we have	04:09:26
14	-- sorry -- are to be held by GDB to provide	04:06:46	14 seen in the bond documents, the actual bank	04:09:28
15	for the following deposits (in order of	04:06:49	15 account?	04:09:37
16	priority).	04:06:51	16 A. I've not seen -- I personally have	04:09:37
17	So does that tell you that the	04:06:52	17 not seen a file like that.	04:09:43
18	transfer of the money from the GDB to the	04:06:53	18 Q. Do you believe any such file	04:09:45
19	Commonwealth on account of any, quote,	04:06:56	19 exists?	04:09:49
20	"clawback" is supposed to come from the pledge	04:07:00	20 A. I can't recall off the top of my	04:09:52
21	account?	04:07:02	21 head if that exercise was done.	04:09:56
22	MS. McKEEN: Objection.	04:07:05	22 Q. Did you ask anybody in the course	04:09:58
23	THE WITNESS: I do understand that	04:07:13	23 of preparing for the Flow of Funds or for this	04:10:01
24	that's what this document says.	04:07:16	24 deposition whether or not such a document	04:10:04
25			25 existed?	04:10:12

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446			448		
1	A. I may have. I just can't recall	04:10:14	1	for how long?	04:12:33
2	right now.	04:10:17	2	A. Since August 2017.	04:12:37
3	Q. But you know you've never seen	04:10:23	3	Q. All right. And your work has been	04:12:41
4	one?	04:10:25	4	principally focused on Puerto Rico and mostly	04:12:43
5	A. I know that I've chkd first cited	04:10:25	5	limited to cash flows; is that right?	04:12:48
6	docs in that document.	04:10:29	6	A. That's correct, generally limited	04:12:54
7	Q. Do you know whether, based on	04:10:38	7	to cash flow reporting, cash flow monitoring,	04:12:55
8	discussions with people on your team, anyone's	04:10:38	8	liquidity management.	04:13:06
9	ever seen them?	04:10:38	9	Q. Okay. And I think you testified	04:13:06
10	A. I can't recall. It's certainly	04:10:38	10	yesterday that there are approximately five	04:13:07
11	something I could follow up on and get back to	04:10:39	11	people senior to you at Conway MacKenzie	04:13:09
12	you on.	04:10:44	12	involved generally in the Puerto Rico	04:13:11
13	Q. How many people did you have on	04:10:44	13	engagement; is that right?	04:13:13
14	your team working on this?	04:10:46	14	A. Yes, I think I gave a range	04:13:16
15	A. Working on what specifically?	04:10:49	15	between four and six.	04:13:19
16	Q. Working on putting together the	04:10:51	16	Q. Okay. And none of them were	04:13:21
17	Flow of Funds chart.	04:10:54	17	involved in this project; is that right?	04:13:24
18	A. This Tourism Flow of Funds chart?	04:11:00	18	A. That's correct.	04:13:26
19	Q. No. All of the Tour- -- all of	04:11:03	19	Q. Did you speak to any of them about	04:13:27
20	the Flow of Funds charts, so the Tourism, the	04:11:04	20	the work you were doing?	04:13:32
21	rum taxes and the HTA.	04:11:07	21	A. I wouldn't have spoken to anyone	04:13:35
22	A. Okay. I guess you asked who was	04:11:13	22	on my team about the work we were doing.	04:13:37
23	on the team that was doing that. I prepared	04:11:17	23	Q. Are any of the more senior people	04:13:41
24	these Flow of Funds documents --	04:11:19	24	at Conway MacKenzie involved in the Puerto Rico	04:13:45
25	Q. I think I asked you how many --	04:11:22	25	engagement CPAs?	04:13:47

447			449		
1	how many people did you have on your team.	04:11:23	1	A. Excuse me for a moment. I do	04:13:54
2	A. Oh, how many people?	04:11:23	2	recall that one member of Conway MacKenzie was	04:13:56
3	I can't recall specifically the	04:11:29	3	involved, and his name was Brett Howard.	04:13:58
4	number of people on the team. I'm happy to	04:11:32	4	Q. What was his involvement?	04:14:02
5	list as many individuals that I can think of	04:11:36	5	A. He specifically manages the cash	04:14:09
6	off the top of my head.	04:11:39	6	flow reporting for Tourism Company, and so I	04:14:12
7	Q. Was there anybody senior to you	04:11:42	7	consulted with him about the Flow of Funds	04:14:17
8	involved in this project?	04:11:43	8	presentation in collaboration with Gustavo from	04:14:21
9	A. It depends on how you define	04:11:52	9	Tourism. In all cases, counsel would have been	04:14:25
10	"senior."	04:11:54	10	present.	04:14:27
11	For example, I would consider the	04:11:54	11	Q. And what is Mr. Howard's position	04:14:29
12	subsecretary of Treasury of the Commonwealth of	04:11:56	12	at Conway MacKenzie?	04:14:31
13	Puerto Rico to be senior to me but not	04:11:59	13	A. Currently he is a senior associate	04:14:36
14	necessarily a -- you know, she doesn't work at	04:12:01	14	at Conway MacKenzie.	04:14:38
15	Conway MacKenzie in a position directly above	04:12:05	15	Q. And is that senior to you?	04:14:40
16	me.	04:12:07	16	A. That is not.	04:14:42
17	Q. So I would consider her to be in a	04:12:08	17	Q. Okay. Well, I think I was asking	04:14:43
18	separate line entirely given that you're not	04:12:12	18	about people senior to you.	04:14:46
19	employed at the same place. So I mean within	04:12:14	19	A. Okay. I apologize.	04:14:50
20	Conway MacKenzie, is there anybody senior to	04:12:17	20	Q. That's okay. So let me ask again.	04:14:51
21	you involved in this?	04:12:20	21	Of the people who are more senior	04:14:55
22	A. Okay. Thank you for clarifying.	04:12:22	22	than you at Conway MacKenzie who were involved	04:14:58
23	No.	04:12:25	23	in the Puerto Rico engagement, are any of them	04:15:00
24	Q. Okay. I think we covered	04:12:28	24	CPAs?	04:15:04
25	yesterday that you've been at Conway MacKenzie	04:12:29	25	A. I think there are -- there's at	04:15:08

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1	least -- there's at least one CPA on the Conway	04:15:12	1	occupancy taxes from the time that they're	04:18:04
2	MacKenzie team. There could be more.	04:15:16	4	collected by hoteliers?	04:18:08
3	Q. All right. And who's the	04:15:18	7	MS. McKEEN: Objection, vague.	04:18:19
4	one person who you can think of who's a CPA on	04:15:31	4	THE WITNESS: I don't know how to	04:18:26
5	the Conway MacKenzie team?	04:15:39	5	answer that question. Would you mind being	04:18:30
6	A. I believe that Rafael Di Napoli is	04:15:29	6	more specific, please?	04:18:33
7	a CPA.	04:15:36	7	BY MS. MILLER:	04:18:35
8	Q. Okay. And what is Mr. Di Napoli's	04:15:40	8	Q. Okay. Well, room tax revenues are	04:18:38
9	position at Conway MacKenzie?	04:15:43	9	collected at a point of contact with the	04:18:39
10	A. Currently he is a managing	04:15:47	10	customer, right? And then they're transferred	04:18:44
11	director.	04:15:50	11	to the Commonwealth; isn't that correct?	04:18:48
12	Q. Okay. And did you speak to	04:15:53	12	A. Correct.	04:18:50
13	Mr. Di Napoli about Funds as used in the	04:15:55	13	Q. Okay. So I want you to tell me	04:18:52
14	Commonwealth?	04:16:01	14	how a room tax revenue is collected and then	04:18:55
15	A. Would you repeat the question?	04:16:04	15	transferred to the Commonwealth.	04:18:58
16	Q. Yes. Did you speak to Mr. Di	04:16:07	16	MS. McKEEN: Objection, vague.	04:19:09
17	Napoli about how Funds are used within the	04:16:10	17	BY MS. MILLER:	04:19:09
18	Commonwealth in this account?	04:16:14	18	Q. You can take it off -- you're	04:19:11
19	UNIDENTIFIED SPEAKER: Objection.	04:16:16	19	welcome to leave the Flow of Funds on, but I'm	04:19:13
20	THE WITNESS: I did not	04:16:21	20	asking for the step that's not reflected in the	04:19:15
21	specifically discuss Funds with Mr. Di Napoli	04:16:21	21	Flow of Funds, right?	04:19:17
22	in preparation for this deposition.	04:16:24	22	The room tax revenues are actually	04:19:18
23	BY MS. MILLER:	04:16:28	23	collected by not a Commonwealth agent, right?	04:19:23
24	Q. Did you speak to him about other	04:16:29	24	Is that consistent with your understanding,	04:19:26
25	things in preparation for this deposition?	04:16:32	25	Mr. Ahlberg?	04:19:28
451		453			
1	A. Not specifically, but I can't say	04:16:36	1	Well, let me just ask:	04:19:39
2	unequivocally that we may never have ever	04:16:38	2	Mr. Ahlberg, who collects room tax	04:19:39
3	discussed Fund types together.	04:16:44	3	revenue -- who collects room taxes?	04:19:34
4	Q. Did you speak to Mr. Di Napoli	04:16:45	4	A. Hoteliers.	04:19:36
5	about the significance of Funds or other	04:16:48	5	Q. Okay. So you would agree with me	04:19:39
6	accounting designations in tracing money	04:16:50	6	that hoteliers collect room tax revenues,	04:19:40
7	through various Commonwealth accounts?	04:16:52	7	correct?	04:19:46
8	A. No.	04:16:57	9	A. Correct.	04:19:49
9	Q. Did you speak to anyone else	04:17:00	9	Q. And then the hoteliers then	04:19:47
10	senior to you at Conway MacKenzie about that?	04:17:01	10	transfer them to the Commonwealth, correct --	04:19:49
11	A. In preparation for this	04:17:06	11	oh, sorry, sorry.	04:19:53
12	deposition? No.	04:17:07	12	A. The Tourism Company.	04:19:54
13	Q. Okay. Okay. So we have marked as	04:17:10	13	Q. Yes. Thank you. Sorry. Let me	04:19:55
14	Exhibit 32 a document that is in front of you,	04:17:15	14	restate my question.	04:19:58
15	which is the Puerto Rico Tourism Company Room	04:17:21	15	Room tax revenues are collected by	04:19:58
16	Taxes Flow of Funds. Do you see that?	04:17:28	16	hoteliers, right?	04:20:02
17	A. Yes.	04:17:28	17	A. Correct.	04:20:04
18	Q. Okay. Do you recognize this	04:17:31	18	Q. And the hoteliers then transfer	04:20:06
19	document?	04:17:38	19	them to the Tourism Company, correct?	04:20:11
20	A. Yes.	04:17:39	20	A. Correct.	04:20:12
21	Q. Okay. And you prepared this,	04:17:38	21	Q. And how do they transfer them to	04:20:13
22	right?	04:17:38	22	the Tourism Company?	04:20:16
23	A. I did.	04:17:40	23	A. I think it depends on which	04:20:26
24	Q. Can you describe generally the	04:17:41	24	hotelier and their, you know, agreed-upon	04:20:29
25	Flow of Funds -- sorry, the flow of hotel	04:18:00	25	schedule to transfer hotel revenue taxes.	04:20:34

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454			456		
1	Q. Okay. Do you have an	04:20:42	1	November 2015?	04:23:24
2	understanding of the various ways in which	04:20:45	2	A. No.	04:23:26
3	hoteliers can transfer the money to the Tourism	04:20:49	3	Q. Okay. So the GDB 9758 account has	04:23:28
4	Company?	04:20:56	4	exactly the same revenues that were transferred	04:23:33
5	A. I'm not positive of the ways that	04:20:56	5	into the Scotiabank 5142 account, correct?	04:23:36
6	the hoteliers designate their transfers to the	04:20:59	6	A. I believe the amount, the total	04:23:46
7	Tourism Company.	04:21:04	7	amount transferred into 5142 would be equal to	04:23:48
8	Q. Okay. Do you know whether they	04:21:05	8	the total amount transferred into 9758 during	04:23:52
9	can wire the money?	04:21:07	9	this time period.	04:23:55
10	A. I believe they can send	04:21:08	10	Q. Is that the long way of saying	04:23:59
11	electronic -- electronic payments.	04:21:11	11	yes, that the GDB 9758 account has exactly the	04:24:01
12	Q. Do you know whether they can make	04:21:14	12	same revenues that were transferred into the	04:24:04
13	deposits at Scotiabank ATM machines in	04:21:16	13	Scotiabank 5142 account by the hoteliers?	04:24:09
14	Puerto Rico?	04:21:25	14	A. It's -- I mean, the transfers for	04:24:16
15	A. I'm not positive whether they can	04:21:26	15	the -- the transfers will total the exact	04:24:19
16	make ATM deposits or not.	04:21:28	16	amount. It will be -- the total transfers into	04:24:23
17	Q. Do you know whether they can	04:21:30	17	5142 will equal the total transfers into 9758.	04:24:28
18	transfer the money by check?	04:21:31	18	Q. So all the same moneys that are	04:24:32
19	A. I believe that they can transfer	04:21:37	19	going into 5142 are going into 9758, correct?	04:24:34
20	the money by check --	04:21:39	20	A. During the time period, that's	04:24:40
21	Q. Okay. And regardless --	04:21:40	21	correct.	04:24:42
22	A. -- depending (indiscernible).	04:21:40	22	Q. Okay. And then what moneys are	04:24:43
23	Q. All right.	04:21:40	23	going from 9758 to 5144?	04:24:45
24	And regardless of the means used	04:21:47	24	A. Amounts that would be in excess of	04:24:51
25	by the hotelier to transfer the room tax	04:21:48	25	the approximately \$3 million per month that was	04:24:55
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1	revenues that it collected, all of those	04:21:52	1	sent to the 9947 pledge account.	04:24:56
2	revenues are transferred to the Tourism Company	04:21:55	2	Q. Okay. And is the 9947 account the	04:25:07
3	into the Scotiabank 5142 account, correct?	04:22:00	3	pledge account as you understand it?	04:25:16
4	A. Correct.	04:22:04	4	A. Yes.	04:25:17
5	Q. Okay. And that was true for the	04:22:04	5	Q. Okay. Or as you've referred to	04:25:18
6	entire period that you looked at from	04:22:07	6	it.	04:25:26
7	January 2015 through the present, correct?	04:22:10	7	And the 5144 account is designated	04:25:26
8	A. That's correct.	04:22:25	8	as a comingled account, do you see that?	04:25:46
9	Q. Okay. So from January 2015 to the	04:22:28	9	A. Yes, I see that.	04:25:49
10	present, all hotel room tax revenues collected	04:22:30	10	Q. What other moneys are deposited	04:25:50
11	by hoteliers are transferred to the Tourism	04:22:32	11	into the 5144 account?	04:25:52
12	Company through the Scotiabank 5142 account,	04:22:35	12	A. An example I can think of off the	04:25:55
13	correct?	04:22:43	13	top of my head would be slot machine proceeds.	04:25:58
14	A. Correct.	04:22:43	14	Q. Okay. Are any other moneys	04:25:59
15	Q. Okay. And then looking at Flow of	04:22:44	15	deposited into the 9947 account?	04:26:13
16	Funds for January 2015 to November 2015 -- it's	04:22:49	16	MS. McKEEN: Are you meaning the	04:26:25
17	up on the board or up on your screen -- the	04:22:53	17	moneys into the -- I just want to be clear,	04:26:34
18	Flow of Funds indicates that those revenues are	04:22:52	18	MS. MILLER: Yeah. Now I'm asking	04:26:31
19	then transferred to the GDB 9758 account. Do	04:23:08	19	about the 9947 account.	04:26:32
20	you see that?	04:23:12	20	THE WITNESS: Would you please	04:26:39
21	A. Yes.	04:23:12	21	repeat the question?	04:26:40
22	Q. Okay. Are there any moneys	04:23:13	22	BY MS. MILLER:	04:26:40
23	deposited in the Scotiabank 5142 account that	04:23:14	23	Q. Yeah. Are any -- are any moneys	04:26:41
24	are not transferred into the GDB 9758 account	04:23:19	24	other than the moneys transferred from the 9758	04:26:44
25	during this period, January 2015 through	04:23:22	25	account deposited into the 9947 account?	04:26:47

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1	A. Not during this time period that	04:26:53	1 couple of questions, and then we can take a	04:29:35
2	we're looking at.	04:26:56	2 break.	04:29:37
3	Q. Okay. And then moneys from -- I'm	04:26:58	3 BY MS. MILLER:	04:29:37
4	going back to the 5144 account. Moneys from	04:27:01	4 Q. Mr. Ahlberg, is it your testimony	04:29:38
5	the 5144 account, hotel occupancy tax revenues	04:27:04	5 that you don't know if hotels' occupancy taxes	04:29:39
6	in excess of the 3 million per month deposited	04:27:08	6 in fact flowed from 5144 to 5138 and that the	04:29:45
7	into the 5144 account are then indicated as	04:27:11	7 5138 account is included in the Flow of Funds	04:29:48
8	flowing to the 5138 account. Do you see that?	04:27:15	8 just as an example of an account that moneys	04:29:52
9	A. Yes.	04:27:19	9 may have or may not have flowed into from the	04:29:55
10	Q. And are all moneys during this	04:27:19	10 5144 account?	04:29:56
11	time period deposited in the 5144 account also	04:27:23	11 MS. McKEEN: Objection, misstates	04:30:01
12	transferred to the 5138 account?	04:27:27	12 testimony.	04:30:02
13	A. No.	04:27:31	13 MS. MILLER: My question is, is it	04:30:05
14	Q. Okay. So how do you know that it	04:27:32	14 his testimony. So your witness can tell me	04:30:06
15	is the hotel occupancy taxes that are moving	04:27:34	15 that it wasn't his testimony.	04:30:09
16	from the 5144 account to the 5138 account?	04:27:36	16 MS. McKEEN: Objection.	04:30:12
17	A. You don't, because at the point of	04:28:03	17 THE WITNESS: That was not my	04:30:12
18	transfer to 5144, those funds are comingled	04:28:06	18 testimony.	04:30:13
19	with other funds.	04:28:11	19 BY MS. MILLER:	04:30:13
20	Q. Did you say "I don't" -- well,	04:28:12	20 Q. Okay. So, Mr. Ahlberg, do you	04:30:16
21	then why is 5138 included in this Flow of	04:28:15	21 know that hotel occupancy taxes flowed from the	04:30:19
22	Funds?	04:28:24	22 5144 account to the 5138 account?	04:30:24
23	A. Because funds are	04:28:24	23 A. Due to the comingled nature of	04:30:32
24	indistinguishable once they are transferred	04:28:27	24 funds within 5144, it's impossible to	04:30:34
25	into Account 5144, it is shown for exemplary	04:28:30	25 say -- it's impossible to say one or the other,	04:30:40
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1	purposes that there still are outposts from	04:29:37	1 which is why both are indicated with a	04:30:48
2	5144 used to fund operating disbursements and	04:29:40	2 comingled star.	04:30:48
3	transfers to that Account 5138, which is a zero	04:29:45	3 Q. But you could have known that	04:30:47
4	balance operating disbursement account.	04:29:52	4 money from one comingled account to another	04:30:49
5	Q. Are you sure?	04:29:54	5 comingled account would have come from hotel	04:30:51
6	A. Am I sure of what?	04:29:58	6 occupancy taxes based on sources identifying	04:30:55
7	Q. Are you -- so you just decided to	04:29:57	7 the revenue source, couldn't you?	04:30:58
8	give me some example of some bank account that	04:29:59	8 A. Could you repeat that question,	04:31:06
9	moneys from 5144 flow to that may or may not be	04:29:02	9 please?	04:31:07
10	the hotel occupancy taxes that we're talking	04:29:06	10 Q. Yeah, well, let me just ask it	04:31:08
11	about?	04:29:10	11 this way:	04:31:11
12	A. Sorry.	04:29:11	12 Previously, when we saw comingled	04:31:12
13	MS. McKEEN: Objection, misstates	04:29:11	13 account moneys being deposited in comingled	04:31:14
14	testimony, argumentative.	04:29:13	14 accounts flowing out, you indicated that you	04:31:17
15	Atara, do you need to take a	04:29:15	15 were able to identify that the moneys were part	04:31:25
16	break?	04:29:16	16 of the bucket of funds that you were tracing in	04:31:29
17	MS. MILLER: No, I don't need to	04:29:17	17 the Flow of Funds based on notations in outflow	04:31:34
18	take a break. I definitely don't need a break.	04:29:19	18 documents, whether it was vouchers or	04:31:38
19	I just need an answer to my question.	04:29:22	19 transmittal letters or the like.	04:31:48
20	(Simultaneous speaking.)	04:29:24	20 Do you recall that?	04:31:49
21	MS. McKEEN: I'd like you to take	04:29:27	21 A. Yes.	04:31:51
22	a break. I would like a break. Thank you.	04:29:28	22 Q. Okay. Is that different here?	04:31:51
23	MS. MILLER: All right. I'm	04:29:30	23 A. I don't think revenue source	04:32:11
24	not -- I'm not ready to take a break right now,	04:29:31	24 is -- I don't think revenue source is	04:32:16
25	so I'm going to get an answer to the next	04:29:32	25 considered for disbursements from 5144 to 5138.	04:32:17

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<p style="text-align: right;">462</p> <p>1 Q. Okay. I'm going to move on, 04:32:30</p> <p>2 because, frankly, those aren't our moneys and 04:32:33</p> <p>3 we know that. So I'm just going to move on, 04:32:37</p> <p>4 but I'm not sure how that's consistent with how 04:32:40</p> <p>5 you explain to put the charts together, so I 04:32:43</p> <p>6 might come back to it just so I can understand 04:32:47</p> <p>7 better what you did in the other Flow of Funds. 04:32:50</p> <p>8 Can I ask you whether for all of 04:32:53</p> <p>9 the Flow of Funds charts that you prepared for 04:33:00</p> <p>10 HTA, PRIFA and CCDA if you were able to find 04:33:03</p> <p>11 evidence that the revenues being traced were 04:33:07</p> <p>12 transferred out of a particular account, if you 04:33:12</p> <p>13 noted that transfer on the Flow of Funds chart? 04:33:15</p> <p>14 UNIDENTIFIED SPEAKER: Objection. 04:33:23</p> <p>15 THE WITNESS: Could you repeat 04:33:25</p> <p>16 that question? 04:33:26</p> <p>17 BY MS. MILLER: 04:33:28</p> <p>18 Q. Yeah. In putting together these 04:33:29</p> <p>19 Flow of Funds charts, if you were able to 04:33:31</p> <p>20 identify an outflow that corresponded to the 04:33:34</p> <p>21 Fund that you were tracing, did you include 04:33:36</p> <p>22 that outflow on the Flow of Funds chart? 04:33:41</p> <p>23 UNIDENTIFIED SPEAKER: Objection. 04:33:48</p> <p>24 THE WITNESS: Each Flow of Funds 04:33:55</p> <p>25 chart is unique. It's hard for me to answer in 04:33:56</p>	<p style="text-align: right;">464</p> <p>1 tax pledge account? 04:56:55</p> <p>2 A. I believe that there is 04:56:58</p> <p>3 justification for why there's an account that 04:57:02</p> <p>4 is called the pledge account, but I just can't 04:57:05</p> <p>5 recall off the top of my head the specific 04:57:09</p> <p>6 document that we used to make that 04:57:10</p> <p>7 determination. 04:57:12</p> <p>8 Q. But you believe there is a 04:57:15</p> <p>9 document? 04:57:17</p> <p>10 MS. McKEEN: Objection -- 04:57:18</p> <p>11 THE WITNESS: Yeah, I believe that 04:57:20</p> <p>12 there's information out there. 04:57:21</p> <p>13 BY MS. MILLER: 04:57:23</p> <p>14 Q. What do you mean when you say 04:57:25</p> <p>15 "information out there"? 04:57:28</p> <p>16 A. Well, you characterized it as 04:57:29</p> <p>17 potentially one document, and I'm just not 04:57:31</p> <p>18 certain that there's one document or there may 04:57:34</p> <p>19 be a collection of documents that say that. 04:57:36</p> <p>20 MS. MILLER: Okay. I'd like to 04:57:39</p> <p>21 mark as the next exhibit tab 2128, please. 04:57:42</p> <p>22 (Monolines Exhibit 33 is 04:57:42</p> <p>23 introduced for the record.) 04:57:42</p> <p>24 BY MS. MILLER: 04:57:42</p> <p>25 Q. We have marked as Monolines 04:57:58</p>
<p style="text-align: right;">463</p> <p>1 terms of all the Flow of Funds charts together. 04:34:01</p> <p>2 MS. MILLER: Okay. Maybe let's 04:34:16</p> <p>3 take a break. I need to think about why they 04:34:17</p> <p>4 would be unique. Maybe I'll have an epiphany 04:34:20</p> <p>5 over the break. Okay. 04:34:25</p> <p>6 Do we want to take 5 minutes? 04:34:31</p> <p>7 MS. McKEEN: I think 10 minutes, a 04:34:32</p> <p>8 5-minute break we can't actually take a break. 04:34:36</p> <p>9 Thanks. 04:34:39</p> <p>10 MS. MILLER: Okay. 04:34:39</p> <p>11 THE VIDEOGRAPHER: We are off the 04:34:41</p> <p>12 record at 4:35 p.m. 04:34:41</p> <p>13 (Recess taken.) 04:34:44</p> <p>14 THE VIDEOGRAPHER: We are back on 04:35:04</p> <p>15 the record at 4:56 p.m. 04:56:12</p> <p>16 BY MS. MILLER: 04:56:12</p> <p>17 Q. Afternoon, Mr. Ahlberg. 04:56:18</p> <p>18 Mr. Ahlberg, have you ever seen 04:56:20</p> <p>19 any document specifically identifying a 04:56:21</p> <p>20 particular bank account as the pledge account? 04:56:25</p> <p>21 A. I can't recall personally looking 04:56:25</p> <p>22 at a document that's labeled a pledge account. 04:56:37</p> <p>23 Q. Do you know whether there are any 04:56:43</p> <p>24 documents that specifically identify a 04:56:45</p> <p>25 particular bank account as the hotel occupancy 04:56:48</p>	<p style="text-align: right;">465</p> <p>1 Exhibit 33 the document Bates-stamped 04:57:59</p> <p>2 CCDA_STA0006780. 04:58:10</p> <p>3 Do you see that? 04:58:14</p> <p>4 A. I don't see that. Could you 04:58:21</p> <p>5 repeat that? 04:58:24</p> <p>6 Q. Yeah, we marked as Monolines 04:58:28</p> <p>7 Exhibit 33 a document that's been Bates-stamped 04:58:30</p> <p>8 CCDA_STA006780. 04:58:32</p> <p>9 A. Yes, I see that, thank you. 04:58:39</p> <p>10 Q. Okay. And if those documents are 04:58:42</p> <p>11 in Spanish, there is an English translation at 04:58:44</p> <p>12 the back. And if you look at -- well, are you 04:58:50</p> <p>13 going to want to look at the certified 04:59:03</p> <p>14 translation or the Spanish version? 04:59:05</p> <p>15 A. I would prefer the certified 04:59:07</p> <p>16 translation. 04:59:09</p> <p>17 Q. Okay. So looking at the certified 04:59:19</p> <p>18 translation, do you see that -- well, do you 04:59:19</p> <p>19 see what account these documents relate to? 04:59:27</p> <p>20 A. Yes, I see Account [REDACTED] 9947. 04:59:39</p> <p>21 Q. Okay. So this is the GDB 9947 04:59:49</p> <p>22 account. Do you agree with that? 04:59:53</p> <p>23 A. Yes. 04:59:56</p> <p>24 Q. And the account name is the Hotel 04:59:57</p> <p>25 Occupancy Tax Pledge Account. Do you see that? 05:00:00</p>

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1	A. I see that here.	05:00:05	1	BY MS. MILLER:	05:02:42
2	Q. Okay. So let me ask my question	05:00:07	4	Q. Did anyone on your team do that	05:02:44
3	again.	05:00:09	3	exercise?	05:02:45
4	Have you seen any documents that	05:00:10	4	A. I'm not positive. It's something	05:02:50
5	identify a particular bank account as the	05:00:12	5	that we can get back to you on.	05:02:53
6	pledge account?	05:00:15	6	Q. Did you ask anybody to do it?	05:02:54
7	A. Could we please flip back to the	05:00:27	7	A. I don't recall.	05:03:00
8	PowerPoint presentation? I just want to	05:00:29	8	Q. Did anybody tell you whether they	05:03:03
9	cross-reference this account number with the	05:00:32	9	had done it?	05:03:06
10	account in the Flow of Funds that I know to be	05:00:35	10	A. I can't recall just an exercise,	05:03:06
11	the pledge account.	05:00:36	11	but -- I don't know.	05:03:12
12	Q. Sure. Well, sorry, before we do	05:00:39	12	Q. Did you think it was an exercise	05:03:12
13	that, how do you know that the account in the	05:00:47	13	that was important to do in connection with	05:03:15
14	Flow of Funds is a pledge account? You said,	05:00:52	14	preparing the Flow of Funds?	05:03:16
15	"the account that I know to be the pledge	05:00:54	15	A. I think the Flow of Funds is	05:03:25
16	account." How do you know an account to be the	05:00:56	16	accurate as the method.	05:03:29
17	pledge account?	05:00:59	17	Q. Okay. Did you think it was	05:03:34
18	A. We were working in preparation for	05:01:00	18	important with respect to PRIFA to match the	05:03:36
19	this deper- -- deposition (indiscernible) that	05:01:03	19	Flow of Funds for the particular Funds and	05:03:39
20	there is an account in the Flow of Funds that	05:01:06	20	accounts identified in the various bond	05:03:39
21	is identifiable in the pledge account.	05:01:09	21	documents that we looked at earlier today?	05:03:41
22	Q. Okay. And what work did you do?	05:01:11	22	A. As I mentioned, I did not do that	05:03:50
23	A. It would have involved -- again,	05:01:17	23	in putting together the Flow of Funds, and I	05:03:53
24	as I mentioned, I personally did not review a	05:01:23	24	believe the Flow of Funds is still an accurate	05:03:55
25	document that had that pledge account language	05:01:26	25	representation of the Flow of Funds during the	05:03:59

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1	on that there, but it would have been in	05:01:27	1	relevant time period.	05:04:00
2	conversation with the team in preparation for	05:01:32	2	Q. Did you think it was important to	05:04:02
3	this deposition.	05:01:36	3	map the particular funds and accounts in the	05:04:04
4	Q. Would you have asked them if they	05:01:37	4	PRIFA Flow of Fund to bank accounts identified	05:04:07
5	saw a document that identified the account as	05:01:39	5	in your Flow of Funds chart in preparation for	05:04:13
6	the pledge account?	05:01:43	6	your deposition today?	05:04:15
7	A. I admit I can't recall right now	05:01:50	7	A. Could you please repeat that	05:04:20
8	asking about documents.	05:01:51	8	question?	05:04:24
9	Q. We spoke earlier today about the	05:01:55	9	Q. Did you think it was important to	05:04:25
10	PRIFA Flow of Funds. Do you recall that?	05:01:57	10	map the bank accounts identified in the PRIFA	05:04:26
11	A. I do recall speaking to you about	05:01:59	11	Flow of Funds chart that you prepared to the	05:04:32
12	the PRIFA Flow of Funds.	05:02:04	12	accounts and Funds identified in the PRIFA bond	05:04:34
13	Q. And do you recall being pretty	05:02:05	13	document?	05:04:36
14	adamant in connection with the testimony about	05:02:07	14	A. I can't assign a degree of	05:04:56
15	the bank account in the PRIFA Flow of Funds and	05:02:12	15	importance or not there other than that I would	05:04:58
16	the various funds and accounts in the bond	05:02:18	16	be able to put together an accurate Flow of	05:05:04
17	documents, that you did not undertake an	05:02:19	17	Funds without relying on an exercise like that.	05:05:08
18	exercise to map the accounts and Fund in PRIFA	05:02:20	18	Q. Okay. So you did not do it for	05:05:11
19	to the actual bank accounts in the Flow of	05:02:25	19	PRIFA; is that right?	05:05:13
20	Funds. Do you recall that?	05:02:27	20	A. I personally did not undertake an	05:05:17
21	MS. McKEEN: Objection.	05:02:30	21	exercise.	05:05:21
22	THE WITNESS: I recall saying that	05:02:34	22	Q. And you don't know if anybody on	05:05:21
23	I did not personally do an exercise mapping	05:02:35	23	your team did?	05:05:23
24	Flow of Funds to bond documents.	05:02:40	24	A. I can't recall off the top of my	05:05:23
25			25	head.	05:05:26

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1	Q.	And it wasn't significant for you	05:05:26	1	BY MS. MILLER:	05:07:22	
2		to find that out and to remember that in	05:05:28	4	Q.	Of mapping the particular bank	05:07:25
3		advance of your testimony today, right?	05:05:30	3		accounts identified in the Flow of Funds to the	05:07:28
4	A.	I think the Flow of Funds are	05:05:37	4		various funds and accounts identified in the	05:07:31
5		accurate as they are.	05:05:39	5		relevant bond document.	05:07:34
6	Q.	I'm not challenging the Flow of	05:05:41	6	A.	I did not personally do that	05:07:42
7		Funds. I believe that the Flow of Funds is	05:05:43	7		mapping exercise either.	05:07:45
8		accurate. My question is that it wasn't	05:05:45	8	Q.	Okay. So how do you know that a	05:07:48
9		significant for you to find out from any other	05:05:51	9		particular account in the Flow of Funds is the,	05:07:51
10		team member in advance of your testimony today	05:05:54	10		quote, "pledge account"?	05:07:54
11		whether they had put together a mapping of the	05:05:56	11	A.	From our discussions with -- with	05:08:00
12		Funds and accounts in various PRIFA bond	05:06:00	12		Tourism and our work together, we identified	05:08:04
13		documents to actual bank accounts, correct?	05:06:03	13		the account as a pledge account.	05:08:06
14		MS. McKEEN: Objection.	05:06:08	14	Q.	Okay. Going back to PRIFA, did	05:08:14
15		THE WITNESS: I don't think not	05:06:11	15		you identify any of the particular accounts in	05:08:16
16		recalling whether this exercise was done or not	05:06:14	16		the PRIFA Flow of Funds to the designated	05:08:20
17		assigns a level of importance or not to the	05:06:17	17		account names in the bond document?	05:08:24
18		exercise.	05:06:18	18	A.	I can't recall off the top of my	05:08:34
19		BY MS. MILLER:	05:06:18	19		head the names of the bond documents used.	05:08:39
20	Q.	Well, if you thought it was an	05:06:20	20	Q.	Okay. But it was important enough	05:08:41
21		important part of your testimony today,	05:06:22	21		for you to remember it with respect to CCDA?	05:08:42
22		wouldn't you have asked and remembered the	05:06:24	22		UNIDENTIFIED SPEAKER: Objection.	05:08:51
23		answer?	05:06:25	23			
24		MS. McKEEN: Objection,	05:06:26	24			
25		argumentative.	05:06:28	25			

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1		THE WITNESS: In preparation for	05:06:31	1		THE WITNESS: Again, I'm not	05:09:02
2		testimony, I focused on developing an accurate	05:06:32	2		certain about defining importance or level or	05:09:03
3		Flow of Funds.	05:06:38	3		not to that exercise.	05:09:06
4		BY MS. MILLER:	05:06:39	4		BY MS. MILLER:	05:09:06
5	Q.	Okay. So you personally never did	05:06:39	5	Q.	Can I ask you a question with	05:09:09
6		a mapping exercise for PRIFA, and you don't	05:06:41	6		respect to CCDA?	05:09:10
7		know if anybody on your team did, correct?	05:06:44	7		Do you have a particular account	05:09:12
8		MS. McKEEN: Objection, asked and	05:06:46	8		number that you would attach to each of the	05:09:16
9		answered.	05:06:51	9		accounts identified in the various CCDA bond	05:09:19
10		THE WITNESS: I can't -- I did not	05:06:51	10		documents?	05:09:24
11		personally perform the exercise, and I can't	05:06:52	11	A.	Can you repeat that question?	05:09:30
12		recall if someone on the team did or not.	05:06:52	12	Q.	Yeah. Sitting here today, do you	05:09:34
13		BY MS. MILLER:	05:06:52	13		have a particular account number that's	05:09:37
14	Q.	Okay.	05:06:53	14		reflected in your Flow of Funds chart that you	05:09:40
15		THE REPORTER: I'm sorry. Can you	05:06:59	15		would attribute to the specific account names	05:09:42
16		repeat your answer, Mr. Ahlberg?	05:07:01	16		included in the various CCDA bond documents?	05:09:46
17		THE WITNESS: I did not	05:07:03	17		UNIDENTIFIED SPEAKER: Objection.	05:09:57
18		personally, and I cannot recall if anyone on	05:07:04	18		THE WITNESS: Yeah, I'm not	05:09:59
19		the team did or did not.	05:07:06	19		positive off the top of my head.	05:10:00
20		THE REPORTER: Thank you.	05:07:08	20		BY MS. MILLER:	05:10:00
21		BY MS. MILLER:	05:07:09	21	Q.	Okay. So I'm going to go through	05:10:02
22	Q.	Why did you do that exercise for	05:07:18	22		them, and you'll tell me, just a yes or no, if	05:10:04
23		CCDA?	05:07:17	23		there is an account number identified in the	05:10:07
24		MS. McKEEN: Objection.	05:07:18	24		Flow of Funds that you would attach to that	05:10:15
25		THE WITNESS: Which exercise?	05:07:22	25		account.	05:10:18

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<p>1 And I don't need the notes -- the 05:10:17</p> <p>2 names or numbers yet. I'm going to give you 05:10:18</p> <p>3 some names. You're going to tell me what the 05:10:22</p> <p>4 number -- you're going to tell me if there's a 05:10:24</p> <p>5 specific bank account that relates to that 05:10:25</p> <p>6 account designation in the document, okay, 05:10:26</p> <p>7 so -- 05:10:32</p> <p>8 A. Can somebody pull up the Flow of 05:10:32</p> <p>9 Funds in question? 05:10:36</p> <p>10 Q. Yeah, sure. Let's -- let's put -- 05:10:37</p> <p>11 yeah, let's put up Exhibit 32, please. 05:10:38</p> <p>12 Okay. So we are going to look at 05:10:42</p> <p>13 this January 2015 to November 2015 flow. 05:10:45</p> <p>14 Okay. So looking at this, is 05:10:50</p> <p>15 there a particular bank account that you 05:10:52</p> <p>16 believe is the transfer account? 05:10:54</p> <p>17 A. Yes. 05:10:58</p> <p>18 Q. And is there a particular bank 05:10:59</p> <p>19 account that you believe is the surplus 05:11:01</p> <p>20 account? 05:11:03</p> <p>21 A. Yes. 05:11:05</p> <p>22 Q. And is there a particular bank 05:11:06</p> <p>23 account that you believe is the pledge account? 05:11:09</p> <p>24 A. Yes. 05:11:13</p> <p>25 Q. And is there a particular bank 05:11:14</p>	<p>1 pledge account? 05:13:11</p> <p>2 A. Your question is how many times 05:13:16</p> <p>3 did I have a conversation about which accounts 05:13:21</p> <p>4 were considered by those names? 05:13:26</p> <p>5 Q. Yeah, about which accounts were 05:13:32</p> <p>6 connected to which particular bank account, 05:13:35</p> <p>7 exactly. 05:13:37</p> <p>8 A. Yeah. I can't recall an exact 05:13:39</p> <p>9 amount or number of conversations that we had 05:13:43</p> <p>10 where we would have specifically talked about 05:13:46</p> <p>11 this. 05:13:51</p> <p>12 Q. Do you recall any conversations 05:13:51</p> <p>13 where you specifically spoke about it? 05:13:52</p> <p>14 A. Just to clarify, are we referring 05:14:01</p> <p>15 to Tourism right now? 05:14:04</p> <p>16 Q. Yeah, I'm talking about Tourism 05:14:05</p> <p>17 right now. 05:14:07</p> <p>18 A. Thank you for clarifying. 05:14:09</p> <p>19 With that clarification, would you 05:14:11</p> <p>20 please repeat the question? 05:14:16</p> <p>21 Q. How many conversations can you 05:14:18</p> <p>22 recall having about which accounts 05:14:20</p> <p>23 identified -- which bank accounts identified in 05:14:22</p> <p>24 the Flow of Funds that you prepared related to 05:14:24</p> <p>25 which account in the various bond documents? 05:14:28</p>
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<p>1 account that you believe is the trust account? 05:11:17</p> <p>2 A. Yes. 05:11:24</p> <p>3 Q. Okay. So you can map in your 05:11:26</p> <p>4 mind, sitting here with no documents in front 05:11:30</p> <p>5 of you and no preparation, every single 05:11:32</p> <p>6 relevant account identified in the CCDA -- CCDA 05:11:36</p> <p>7 document to a specific bank account in this 05:11:40</p> <p>8 chart, is that your testimony? 05:11:42</p> <p>9 UNIDENTIFIED SPEAKER: Objection. 05:11:46</p> <p>10 UNIDENTIFIED SPEAKER: Objection. 05:11:48</p> <p>11 THE WITNESS: I can identify on 05:11:51</p> <p>12 this page accounts that I consider the pledge 05:11:52</p> <p>13 account, transfer account, surplus account. 05:11:57</p> <p>14 BY MS. MILLER: 05:11:57</p> <p>15 Q. Okay. Can we just pull up the 05:12:00</p> <p>16 PRIFA Flow of Funds for a minute because I just 05:12:13</p> <p>17 want to ask you, sitting here off the top of 05:12:22</p> <p>18 your head, if you did the same exercise with 05:12:26</p> <p>19 respect to the PRIFA Flow of Funds. 05:12:29</p> <p>20 While we are waiting for that, 05:12:40</p> <p>21 Mr. Ahlberg, how many conversations that -- do 05:12:50</p> <p>22 you -- have you had in preparation of these 05:12:54</p> <p>23 Flow of Funds or in preparation for your 05:12:58</p> <p>24 deposition today about which account is the 05:13:00</p> <p>25 transfer account, the surplus account, and the 05:13:09</p>	<p>1 A. I can't recall an exact amount of 05:14:38</p> <p>2 conversation. 05:14:38</p> <p>3 Q. Was it more than one? 05:14:39</p> <p>4 A. The identification of different 05:14:38</p> <p>5 accounts came up on more than one occasion. 05:14:43</p> <p>6 Q. I mean, identification -- and 05:14:54</p> <p>7 you only -- when you say the identification of 05:14:55</p> <p>8 particular -- and I just want to make sure we 05:14:57</p> <p>9 mean the same thing. 05:15:00</p> <p>10 I mean the connecting or mapping 05:15:01</p> <p>11 of a particular bank account to a particular 05:15:03</p> <p>12 account name in a bond document. Is that what 05:15:06</p> <p>13 you're saying? 05:15:09</p> <p>14 A. That is not what I was saying. 05:15:14</p> <p>15 Q. Okay. So that's my 05:15:18</p> <p>16 question -- that's my question, so let me ask 05:15:15</p> <p>17 my question again so we can just be clear. 05:15:16</p> <p>18 How many conversations do you 05:15:18</p> <p>19 recall about the linking of particular bank 05:15:21</p> <p>20 account numbers to account names used or 05:15:25</p> <p>21 designations used in the bond documents? 05:15:30</p> <p>22 A. I don't recall any specific 05:15:34</p> <p>23 conversations where we discussed those things. 05:15:37</p> <p>24 Q. So how do you know, for example, 05:15:41</p> <p>25 that the 9947 account is the pledge account? 05:15:43</p>

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<p>1 A. Some discussions with -- with 05:15:52</p> <p>2 Tourism Company and an understanding of 05:15:54</p> <p>3 operationally how things work. 05:15:59</p> <p>4 Q. Okay. I thought you just told me 05:16:01</p> <p>5 that you didn't have any conversations about 05:16:02</p> <p>6 that. 05:16:08</p> <p>7 MS. McKEEN: Objection. 05:16:07</p> <p>8 BY MS. MILLER: 05:16:07</p> <p>9 Q. What conversations are you 05:16:10</p> <p>10 recalling? 05:16:12</p> <p>11 A. It's hard to know since there were 05:16:32</p> <p>12 several conversations with the different 05:16:36</p> <p>13 management teams in preparation for this 05:16:40</p> <p>14 deposition. 05:16:42</p> <p>15 Q. Who did you have conversations 05:16:53</p> <p>16 with about the mapping of particular bank 05:16:54</p> <p>17 accounts to account designations in the bond 05:16:57</p> <p>18 documents? 05:17:08</p> <p>19 MS. McKEEN: Objection. 05:17:08</p> <p>20 THE WITNESS: I don't recall 05:17:09</p> <p>21 specific conversations about mapping accounts 05:17:11</p> <p>22 to the bond documents. 05:17:17</p> <p>23 BY MS. MILLER: 05:17:17</p> <p>24 Q. Did you have any conversations 05:17:17</p> <p>25 with counsel about mapping of bond documents -- 05:17:18</p>	<p>4 marked as Exhibit 24. 05:16:52</p> <p>5 And could we go to the first Flow 05:16:56</p> <p>6 of Funds chart in this document? 05:16:59</p> <p>7 So we are going to look at the 05:17:03</p> <p>8 January 2014 to June 2015 Flow of Funds. Do 05:17:04</p> <p>9 you see that? 05:17:08</p> <p>10 A. Yes. 05:17:08</p> <p>11 Q. Okay. And in the PRIFA Flow of 05:17:09</p> <p>12 Funds, the moneys are supposed to be deposited 05:17:12</p> <p>13 to the credit of the Puerto Rico Infrastructure 05:17:17</p> <p>14 Fund. Can you identify a particular bank 05:17:21</p> <p>15 account on this chart that relates to that? 05:17:23</p> <p>16 A. There is no bank account on this 05:17:30</p> <p>17 chart that is identifiable as the Puerto Rico 05:17:33</p> <p>18 Infrastructure Fund. 05:17:37</p> <p>19 Q. Okay. And then the moneys that 05:17:37</p> <p>20 flow from there into the Sinking Fund? 05:17:39</p> <p>21 UNIDENTIFIED SPEAKER: Objection. 05:17:49</p> <p>22 BY MS. MILLER: 05:17:49</p> <p>23 Q. Are there any accounts on this -- 05:17:52</p> <p>24 on this Flow of Funds that you can identify as 05:17:54</p> <p>25 the Sinking Fund? 05:17:59</p> <p>26 A. I am not positive of any of these 05:18:06</p> <p>27 accounts being identified as the Sinking Fund. 05:18:08</p> <p>28 Q. Okay. And do you know whether 05:18:10</p>
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<p>1 just a yes or no -- mapping of accounts to bond 05:17:21</p> <p>2 documents? 05:17:25</p> <p>3 A. I mean, I can't recall if we 05:17:28</p> <p>4 specifically discussed this issue or not. 05:17:30</p> <p>5 Q. I'm trying to understand -- I 05:17:44</p> <p>6 showed you a document that identified the 05:17:46</p> <p>7 pledge account 9947 as the pledge account, and 05:17:50</p> <p>8 you indicated to me that you weren't sure if 05:17:55</p> <p>9 you had ever seen any document that identified 05:17:56</p> <p>10 9947 specifically as the pledge account; is 05:18:01</p> <p>11 that right? 05:18:07</p> <p>12 A. That's correct. 05:18:07</p> <p>13 Q. And yet you're confident that 9947 05:18:07</p> <p>14 is the pledge account, right? 05:18:12</p> <p>15 A. Without having that diagram in 05:18:18</p> <p>16 front of me, I can't recall the exact account 05:18:21</p> <p>17 number. I can remember it in the positioning 05:18:23</p> <p>18 of the document. 05:18:25</p> <p>19 Q. Okay. Where -- where is it 05:18:27</p> <p>20 positioned in the document? 05:18:28</p> <p>21 A. If we could show the document, I 05:18:34</p> <p>22 could identify the account. 05:18:37</p> <p>23 Q. Okay. I'm not going to do that 05:18:39</p> <p>24 right now because I have the PRIFA document up, 05:18:41</p> <p>25 which is Exhibit 34 -- sorry -- 24. It was 05:18:48</p>	<p>1 that US Bank Account -0002 is the reserve 05:20:12</p> <p>2 account? 05:20:16</p> <p>3 A. I'm not certain if that's the 05:20:24</p> <p>4 colloquial name of this account or not. 05:20:26</p> <p>5 Q. I mean, there are reserve accounts 05:20:30</p> <p>6 that are discussed in the relevant bond 05:20:36</p> <p>7 documents. Do you know if that US Bank 002 05:20:38</p> <p>8 account is similar to the account discussed in 05:20:42</p> <p>9 the bond document? 05:20:45</p> <p>10 A. Off the top of my head, I'm not 05:20:49</p> <p>11 certain if that's the reserve account discussed 05:20:53</p> <p>12 in the bond document. 05:20:54</p> <p>13 Q. Okay. So, looking -- and you 05:20:56</p> <p>14 don't know if it's the redemption account 05:20:59</p> <p>15 either, do you? 05:21:00</p> <p>16 A. I'm not positive. 05:21:01</p> <p>17 Q. Okay. So sitting here, off the 05:21:02</p> <p>18 top of your head, looking at this PRIFA Flow of 05:21:05</p> <p>19 Funds, is there any bank account that you can 05:21:08</p> <p>20 attach a label from the bond document to? 05:21:10</p> <p>21 A. No. 05:21:25</p> <p>22 MS. MILLER: Okay. So now we can 05:21:26</p> <p>23 put up the CCDA Flow of Funds, which is 05:21:28</p> <p>24 Exhibit 32. We can put that back up. 05:21:31</p> <p>25</p>

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1	BY MS. MILLER:	05:21:31	1	BY MS. MILLER:	05:24:09
2	Q. Okay. But off the top of your	05:21:49	4	Q. Okay. So understanding that you	05:24:15
3	head, you were able to attach labels	05:21:48	3	focused on the Flow of Funds exclusively and	05:24:17
4	corresponding or correlating particular bank	05:21:49	4	the flow of cash, why is it that you committed	05:24:20
5	accounts in the CCDA Flow of Funds to each of	05:21:51	5	to memory which of these accounts corresponds	05:24:22
6	the three key accounts in the CCDA document; is	05:21:55	6	to particular named accounts in the bond	05:24:25
7	that right?	05:21:59	7	document?	05:24:27
8	A. In the Tourism document, yes.	05:21:59	9	A. I can't give you an exact reason	05:24:32
9	Q. Okay. Okay. So the pledge	05:22:01	9	about why I committed those to memory, other	05:24:35
10	account, which account is it your position is	05:22:06	10	than I know that's how the Tourism Company	05:24:38
11	the pledge account?	05:22:10	11	understands the account.	05:24:41
12	A. The 9947.	05:22:13	12	Q. Okay. And do you know what	05:24:43
13	Q. Okay. And you testified that you	05:22:15	13	Gustavo's basis was for identifying particular	05:24:46
14	weren't sure if you've ever seen any document	05:22:19	14	accounts, bank accounts as those accounts in	05:24:49
15	that specifically identified that, but I showed	05:22:21	15	the bond document?	05:24:52
16	you a document that identified that, the pledge	05:22:23	16	A. Not certain of the exact process	05:24:56
17	account, the name.	05:22:29	17	that he used to determine.	05:24:59
18	A. You did show me a document that	05:22:29	18	Q. Did you ask him if he looked at	05:25:01
19	named that account as the -- a pledge account	05:22:31	19	any account opening statements or documents?	05:25:03
20	in the name.	05:22:34	20	A. I don't recall specifically asking	05:25:10
21	Q. Okay. And who at the Tourism	05:22:34	21	him that question or not.	05:25:11
22	Company did you speak to about matching --	05:22:37	22	Q. Did you ask him if he looked at	05:25:13
23	sorry -- mapping these various bank accounts to	05:22:40	23	any other document that might identify a	05:25:15
24	the account designations used in the bond	05:22:43	24	particular account with a name used in the bond	05:25:19
25	documents?	05:22:47	25	document?	05:25:22
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1	MS. McKEEN: Objection.	05:22:50	1	A. I can't recall specifically asking	05:25:27
2	THE WITNESS: Discussed with	05:22:54	2	him a question like that or not.	05:25:29
3	Gustavo and Brett which accounts operated as	05:22:58	3	Q. Did you do anything to	05:25:31
4	the transfer, pledge, surplus account.	05:23:02	4	independently verify or confirm what Gustavo	05:25:32
5	BY MS. MILLER:	05:23:02	5	told you about which account was which?	05:25:39
6	Q. Okay. And did Brett have	05:23:09	6	A. No, other -- no, but the actual	05:25:47
7	independent knowledge of which account	05:23:14	7	Flow of Funds makes sense to me, given the	05:26:01
8	corresponded to each of those accounts --	05:23:16	8	assignments to those accounts that he provided.	05:26:11
9	sorry -- which bank accounts corresponded to	05:23:21	9	Q. Well, we spoke earlier -- well,	05:26:17
10	each of those bond document accounts?	05:23:23	10	what do you mean it made sense to you based on	05:26:21
11	A. I can't say one way or the other	05:23:26	11	the assignments that he provided? Do you mean	05:26:25
12	if Brett had personal knowledge of the bond	05:23:30	12	it made sense in terms of corresponding to	05:26:28
13	documents or not.	05:23:36	13	moneys that were supposed to be transferred	05:26:30
14	Q. Okay. And did you ask whether	05:23:39	14	into the various accounts, and had the moneys	05:26:34
15	they knew which of these bank accounts	05:23:42	15	actually flowed in relation to that?	05:26:36
16	correlated to particular accounts in the bond	05:23:45	16	MS. McKEEN: Objection.	05:26:49
17	documents?	05:23:49	17	THE WITNESS: What I mean	05:26:51
18	MS. McKEEN: Objection.	05:23:51	18	generally, for example, is that I understand	05:26:53
19	THE WITNESS: My question to them	05:23:54	19	the Account 5144 being the surplus account, the	05:26:58
20	was not in the context of "match these accounts	05:23:57	20	surplus of the monthly average 3 million	05:27:00
21	to the bond documents," would have been in the	05:23:59	21	transfer from 9258, transfer to 9947, and thus	05:27:04
22	context of in the actual Flow of Funds, which	05:24:01	22	the identification from the surplus account	05:27:11
23	account functions as X account, which account	05:24:05	23	fits with my understanding of the Flow of Funds	05:27:13
24	functions as Y account.	05:24:09	24	as presented here.	05:27:15
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1	BY MS. MILLER: 05:27:15	1	Company? 05:29:43
2	Q. Okay. Have you ever seen any 05:27:17	2	A. Did -- 05:29:43
3	document identifying the Scotiabank 5144 05:27:20	3	Q. The moneys other than these excess 05:29:43
4	account as the surplus account? 05:27:33	4	moneys from the hotel occupancy taxes flow into 05:29:45
5	A. I can't recall a specific document 05:27:39	5	the 5144 account? 05:29:48
6	that refers to it as the surplus account. 05:27:31	6	A. Could you repeat that, please? 05:29:52
7	Q. You think that you've seen it, 05:27:35	7	Q. The moneys other than the excess 05:29:54
8	though? 05:27:38	8	moneys from the hotel occupancy taxes, excuse 05:29:55
9	A. I think I have seen some 05:27:39	9	me, flow into the 5144 account? 05:30:04
10	documents. 05:27:44	10	A. Correct. 05:30:07
11	Q. You think you have. Okay. I'm 05:27:44	11	Q. And you understand that the 05:30:12
12	going to -- okay. 05:27:47	12	surplus account is one of the two accounts 05:30:14
13	So I've looked through the 05:27:49	13	that's in the Special Fund called the Holding 05:30:17
14	production, and I have not seen any documents 05:27:50	14	Fund under the assignment and coordination 05:30:20
15	that identify the 5144 account as a surplus 05:27:53	15	agreement that we looked at and previously 05:30:22
16	account. 05:27:57	16	marked as Exhibit 30, correct? 05:30:24
17	MS. MILLER: So I'm going to call 05:27:57	17	A. I understand that that's what the 05:30:27
18	on the record for the production of any such 05:27:58	18	document we looked at together said. 05:30:30
19	documents that you've seen that you're relying 05:28:00	19	Q. Okay. And do you have an 05:30:31
20	on for your testimony that the 5144 account is 05:28:02	20	understanding of whether operating moneys would 05:30:33
21	the surplus account or that the Commonwealth 05:28:04	21	flow into a Special Fund as that term is used 05:30:39
22	otherwise intends to rely on. 05:28:09	22	in government accounting? 05:30:42
23	BY MS. MILLER: 05:28:09	23	A. I'm not certain how to answer your 05:30:54
24	Q. Okay. So you believe that you've 05:28:14	24	question. Could you be more specific? 05:30:56
25	seen a document identifying the 5144 account as 05:28:15	25	Q. Yes. Do you know whether general 05:30:59

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1	the surplus account; is that right? 05:28:19	1	operating -- sorry. 05:31:01
2	A. I feel confident to say that I 05:28:24	2	Do you know whether general 05:31:02
3	believe the 5144 account is the surplus 05:28:26	3	revenues used for operating expenses would flow 05:31:04
4	account. 05:28:29	4	into a Special Fund? 05:31:07
5	Q. That wasn't my question. 05:28:29	5	UNIDENTIFIED SPEAKER: Objection. 05:31:16
6	You believe that you've seen a 05:28:33	6	THE WITNESS: I don't think about 05:31:21
7	document that identifies the 5144 account as 05:28:35	7	dollars flowing into Funds, but I'm also not 05:31:22
8	the surplus account; is that correct? 05:28:38	8	sure of the way that that would be classified. 05:31:26
9	A. Yeah, and I'm not certain one way 05:28:44	9	BY MS. MILLER: 05:31:26
10	or the other as to whether I've seen a specific 05:28:45	10	Q. Okay. And I don't think you 05:31:39
11	document that calls it that or not. 05:28:48	11	actually said it yet, so let me ask you to 05:31:41
12	Q. Okay. Have you seen any documents 05:28:49	12	identify which bank account do you believe on 05:31:45
13	that call any of these accounts the surplus 05:28:53	13	this chart corresponds to the transfer account? 05:31:50
14	account? 05:28:55	14	A. GDB account 9758. 05:31:59
15	A. I believe so. I just -- I can't 05:28:56	15	Q. Okay. And what is the basis for 05:32:02
16	recall a specific document. 05:28:59	16	that testimony? 05:32:04
17	Q. Okay. And you believe that the 05:29:13	17	A. Conversations with Tourism. 05:32:08
18	document that you saw, called the Scotiabank 05:29:14	18	Q. And did you do anything to verify 05:32:12
19	5144 account the surplus account; is that 05:29:17	19	what Tourism told you about that? 05:32:16
20	right? 05:29:24	20	A. I did not personally pull 05:32:22
21	A. I -- yeah, I can't recall if it's 05:29:24	21	documents to verify that, but the team, the 05:32:25
22	a specific document, as I mentioned, or in 05:29:26	22	entire document production had hundreds -- 05:32:38
23	conversations with Gustavo. 05:29:30	23	thousands -- thousands of documents that I 05:32:39
24	Q. Okay. Is the 5144 account a 05:29:32	24	personally could not review every single 05:32:36
25	comingled operational account of the Tourism 05:29:36	25	document. 05:32:38